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STATE OF NEW JERSEY

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 1982

Prepared by

DEPARTMENT OF THE TREASURY
KENNETH R. BIEDERMAN, TREASURER

DIVISION OF BUDGET AND ACCOUNTING
EDWARD G. HOFGESANG, COMPTROLLER

STATE OF NEW JERSEY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1982
TABLE OF CONTENTS

	PAGE
INTRODUCTION	
Letter of Transmittal	1
Organization Chart	4
FINANCIAL SECTION	
COMBINED STATEMENTS - OVERVIEW	
Combined Balance Sheet - All Fund Types and Account Groups	5
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Fund Types	7
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS	
GENERAL FUND	
Auditor's Opinion	9
Balance Sheet	10
Statement of Revenues, Expenditures and Changes in Fund Balances	11
Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual - Budgetary Basis	12
Notes to Financial Statements	13
SPECIAL REVENUE FUNDS	
Auditor's Opinion	21
Combining Balance Sheet	22
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	24
Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual - Budgetary Basis:	
Casino Control Fund	26
Casino Revenue Fund	27
Gubernatorial Elections Fund	28
Property Tax Relief Fund	29
Notes to Financial Statements	30
Description of Funds	36
DEBT SERVICE FUND	
Auditor's Opinion	38
Balance Sheet	39
Statement of Revenues, Expenditures and Changes in Fund Balances	40
Notes to Financial Statements	41
CAPITAL PROJECTS FUNDS	
Auditor's Opinion	43
Combining Balance Sheet	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	46
Notes to Financial Statements	48
Description of Funds	50
TRUST AND AGENCY FUNDS	
Combining Balance Sheet	51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	63
Description of Funds	75

STATE OF NEW JERSEY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1982
TABLE OF CONTENTS (Continued)

	PAGE
GENERAL LONG TERM DEBT ACCOUNT GROUP	
Auditor's Opinion	81
Balance Sheet	82
Statement of Outstanding Bonds	83
Statement of Changes in General Long Term Debt Account Group	84
Notes to Financial Statements	86
SUPPLEMENTAL FINANCIAL DATA	
Supplementary Fiscal Data	88
Revenue Statements	
Supplementary Revenue Data	93
Statement of Anticipated Revenue:	
General Fund	95
Property Tax Relief Fund	104
Gubernatorial Elections Fund	104
Casino Control Fund	105
Casino Revenue Fund	105
Statement of Appropriated Revenue - General Fund	106
Expenditure Statements	
Supplementary Expenditure Data	107
Statement of Appropriations:	
General Fund	109
Property Tax Relief Fund	116
Gubernatorial Elections Fund	116
Casino Control Fund	117
Casino Revenue Fund	117
STATISTICAL AND ECONOMIC DATA	
New Jersey State Government Within the Federal/State/Local Tax System	118
Ten Year Financial Summary	120
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures	121
Future Debt Service on Outstanding Bonds	122
Ratio of General Long-Term Debt to Assessed Value and Debt Per Capita	123
Valuations of Taxable Real Property, Personal and Per Capita Income	124
Population and Employment Trends	125
Manufacturing and Non-Manufacturing Employment	126
Average Hourly Gross Dollar Earnings of Production Workers	127
Fifty Largest Employers	128
Retail Sales, Personal and Per Capita Income, and New Dwelling Units	129
Public School Enrollments	130
Sector Summary of Fall Enrollment New Jersey Colleges and Universities	131
Public and Independent College Enrollment Summary	132
Public Authorities and Agencies	133

State of New Jersey
DEPARTMENT OF THE TREASURY
STATE HOUSE
TRENTON, NEW JERSEY 08625

December 27, 1982

Governor Thomas H. Kean
Members of the Legislature
Citizens of New Jersey

In accordance with the provisions of N.J.S.A. 52: 27B-46, it is our pleasure to tranamit to you the Annual Financial Report of the State of New Jersey for the year ended June 30, 1982, depicting the financial condition of the State and the results of operations for the year.

In our continuing effort to move toward conformity with the standards established by the National Council on Government Accounting and the Municipal Finance Officers Association, we have this year instituted various changes in our financial reporting practices. Among these enhancements are the rendering for the first time of the State Auditor's independent opinion on Special Revenue Funds, increased use of recommended terminology and statement formating, expanded financial disclosure, and a more comprehensive statistical and economic data section.

We have made significant progress in financial reporting over the past two years. While there are other reporting matters to which our attention must be directed, we are confident our financial controls in place have enabled us to maintain the State's high standing in the financial community.

Financial Reporting

The accompanying financial statements of the State of New Jersey are prepared on a modified accrual basis in accordance with generally accepted accounting principles. The financial statements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Project Funds, and the General Long Term Debt Account Group, have been audited by the Division of State Auditing, Office of Legislative Services. Their examination was conducted in accordance with generally accepted auditing standards, and their opinions on each of the above mentioned funds appear elsewhere herein.

While the State owns extenaive fixed assets consisting of: (1) land, (2) buildings, which house State offices, hospitals, institutions and educational facilities, (3) equipment used in construction work, data processing, hospitals and offices, the Annual Financial Report does not reflect these assets in a General Fixed Asset Account Group since it has always been the State's policy to expense fixed assets at the time of purchase. In accordance with generally accepted accounting principles, general fixed assets should now be accounted for within proprietary and non-expendable trust funds, and for governmental funds, within the General Fixed Asset Account Group.

An approach to the compilation of historical data and development of appropriate fixed asset records is under study. An inventory of State owned land and buildings has begun. Since historical costs are not available, particularly for older acquisitions, an acceptable alternative valuation method is under consideration to enable us to comply eventually with fixed asset reporting requirements.

Revenue and Expenses

For the year ended June 30, 1982, revenues to support general governmental operations totaled $5.5 billion, an increase of $493.3 million or 9.7% over 1981. Major taxes represented 62% of total general revenues compared to 64% in 1981, and the percentage of total revenues represented by the personal income tax increased from 22% in 1981 to 23% in 1982.

Source of Revenue ($000)	1982 Amount	Percent of Total	Increase (Decrease) From FY 1981 Dollars	Percent
Major Taxes	$3,457,881	62%	$ 237,921	7.4%
Miscellaneous Taxes & Fees	385,374	7	44,116	12.9
Interfund Transfers	322,614	6	31,992	11.0
Personal Income Tax	1,259,039	23	152,859	13.8
Casino Taxes and Fees	129,169	2	26,540	25.9
Other	1,790	--	(129)	(6.7)
	$5,555,867	100%	$ 493,299	9.7%

For 1982, despite the national economic conditions, the State experienced reasonable growth in revenues. Revenue highlights for 1982 include a $116.4 million or 9.2% increase in sales tax collections over 1981, a $152.9 million or 13.8% increase in personal income tax collections, and collections from the State Lottery increased by $44.3 million, or 25.2%.

Expenditures for general governmental operations totaled $5.8 billion in 1982, an increase of $520.1 million or 9.9% over 1981.

Expenditure Category ($000)	1982 Amount	Percent of Total	Increase (Decrease) From FY 1981 Dollars	Percent
State Aid	$3,308,766	58%	$ 234,636(1)	7.6%
Direct State Services	2,200,127	38	271,239(1)	14.1
Capital Construction	60,713	1	1,791	3.0
Debt Service	185,628	3	12,439	7.2
	$5,755,234	100%	$ 520,105	9.9%

(1) For comparison purposes, $400.0 million in Medicaid expenses are restated from the Direct State Services to the State Aid expenditure category.

Expenditure highlights for 1982 include $1.8 billion in expenditures to support local elementary and secondary education programs, an increase of $189 million or 11.7% from 1981; $390.8 million expended from the State's share of Medicaid; $475.3 million in expenses for the support of the State's Higher Education system, an increase of $31.1 million or 7%; and $130.8 million in expenditures from the Casino Revenue Fund to support senior citizens and disabled residents. The State ended fiscal year 1982 with an undesignated fund balance (surplus) of $139.3 million for the major governmental funds. Within this total, the undesignated fund balance of the General Fund was $78.7 million, $28.6 million in the Property Tax Relief Fund, and $32.0 million in the Casino Revenue Fund.

Debt Management

New Jersey continues to receive the highest bond rating (Aaa/AAA) from both Moody's Investor Service and Standard and Poor's Corporation. This reflects New Jersey's long-standing record of sound financial management. The State issued $300 million in general obligation bonds and retired $92.9 million in fiscal year 1982. In addition, in fiscal year 1982, the public approved bond referenda for $50 million for farmland preservation, $100 million for toxic waste clean-up and $350 million for statewide water supply improvements. The public also approved removing the 6 percent interest rate ceiling on the 1969 water conservation bonds. This will facilitate the sale of $50 million in bonds that remain unissued.

At June 30, 1982, the total State general long-term debt amounted to $2,034 million. On a per capita basis this represents $275 for every resident of the State.

Pension Systems

The State's pension systems continue to be actuarially sound. The accrued benefit liability of the six pension funds at the latest actuarial valuation dates was $7.6 billion, and the book value of all assets was $6.4 billion. This represents an average funding ratio for the systems of 84%.

The Years Ahead

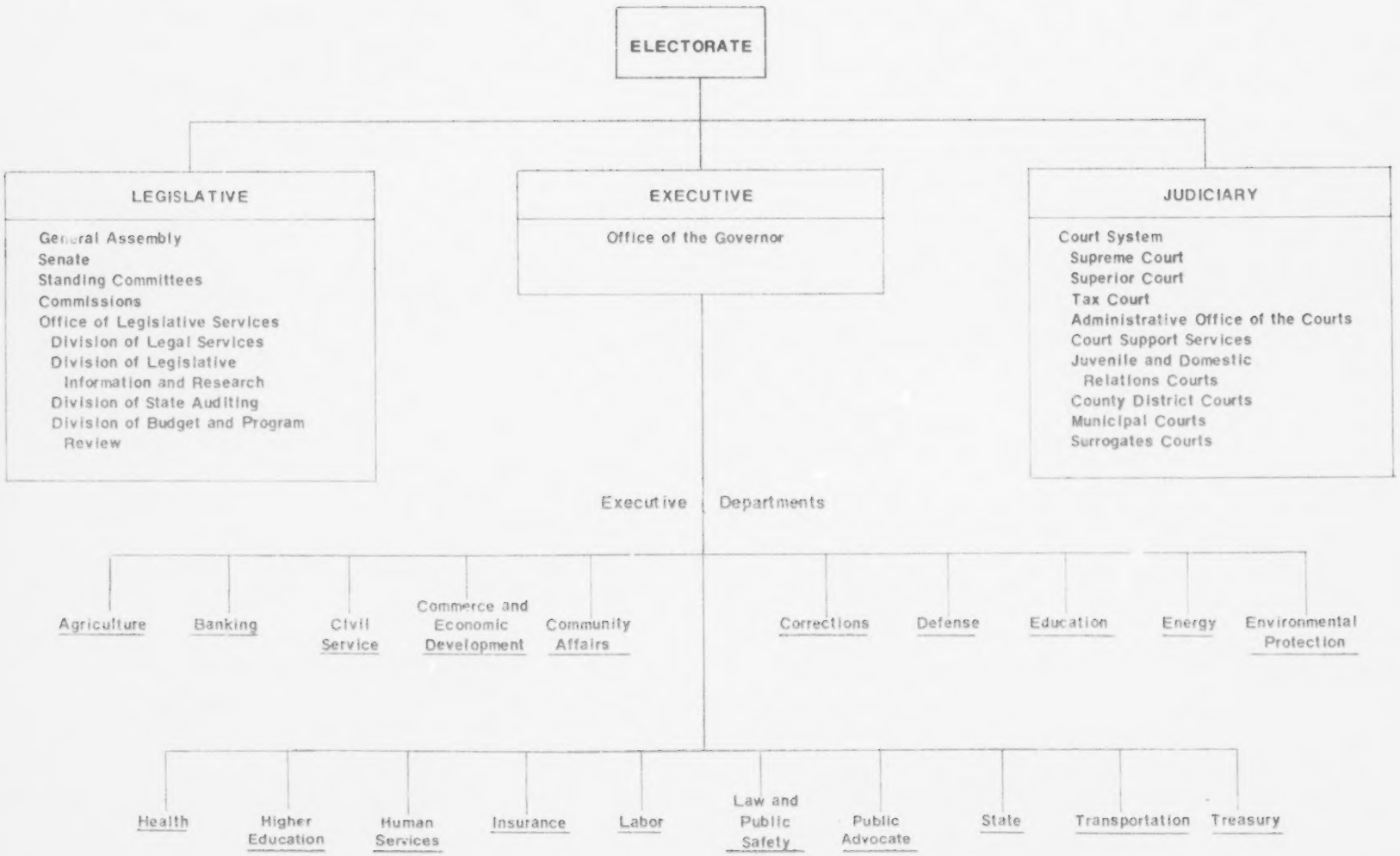
In the near future, sustaining the sound financial condition of New Jersey during this period of economic uncertainty will be among our highest priorities. We will strive toward conformity with the established standards for financial reporting and continue to provide responsible fiscal management to assure necessary government services for the citizens of New Jersey.

Respectfully submitted,

Kenneth R. Biederman
State Treasurer

Edward G. Hofgesang
State Comptroller

NEW JERSEY STATE GOVERNMENT



FINANCIAL SECTION

The following sections include combined and individual financial statements for the various funds maintained by the State of New Jersey, and supplemental financial schedules of revenues and expenditures for the current fiscal year.

COMBINED STATEMENTS

Combined Statements provide a summary overview of the financial position of all funds and account groups and of the operating results by fund type. They also serve as an introduction to the more detailed statements and schedules that follow.

STATE OF NEW JERSEY
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1982

	General Fund	Special Revenue Funds	Debt Service Fund
ASSETS			
CASH			
Demand accounts	$ 6,226,810	$ 301,443	$ --
Time accounts	15,600,000	--	--
Cash with fiscal agent	--	--	5,120,499
INVESTMENTS AT BOOK VALUE	35,804,385	6,163,608	--
RECEIVABLES			
Taxes	208,992,966	90,545,704	--
Federal government	126,133,946	--	--
Departmental accounts	181,138,291	9,349,176	--
Loans	312,703	--	--
Other	53,055,644	15,035,208	--
OTHER ASSETS			
Due from other funds	504,350,817	77,885,206	--
Advances to other funds	679,540	--	--
Deferred charges	2,940,000	628,704	--
Amount to be provided for retirement of general obligation bonds	--	--	--
Deposit fund contracts	--	5,127,056	--
Amount to be provided from interest on deposit fund contracts	--	--	--
Total Assets	$ 1,135,235,102	$ 205,036,105	$ 5,120,499
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 473,275,171	$ 23,787,924	$ --
Deferred revenue	39,844,303	556,420	--
Due to other funds	35,441,856	70,838,823	--
Advances from other funds	--	679,540	--
Other	32,912,499	17,007,104	--
Matured interest payable	--	--	4,023,499
Matured bonds payable	--	--	1,097,000
General obligation bonds payable	--	--	--
Installment prizes payable	--	5,127,056	--
Total Liabilities	581,473,829	117,996,867	5,120,499
FUND BALANCES			
Reserved for encumbrances	245,553,575	7,886,935	--
Reserved for non-current resources	14,189,927	122,851	--
Unreserved			
Designated for subsequent years' expenditures	215,285,955	1,854,535	--
Undesignated	78,731,816	77,174,917	--
Total Fund Balances	553,761,273	87,039,238	--
Total Liabilities and Fund Balances	$ 1,135,235,102	$ 205,036,105	$ 5,120,499

Capital Projects Funds	Trust and Agency Funds	General Long-Term Debt Account Group	Total (Memorandum Only)
$ 259,419	$ 45,738,673	$ --	$ 52,526,345
--	--	--	15,600,000
--	--	--	5,120,499
--	6,346,224,539	--	6,388,192,532
--	--	--	299,538,670
13,048,000	13,620,322	--	152,802,268
--	--	--	190,487,467
--	39,425,197	--	39,737,900
--	136,794,279	--	204,885,131
153,057,555	446,373,254	--	1,181,666,832
--	--	--	679,540
--	--	--	3,568,704
--	--	2,034,445,000	2,034,445,000
--	--	33,836,484	38,963,540
--	--	33,323,084	33,323,084
$ 166,364,974	$ 7,028,176,264	$ 2,101,604,568	$ 10,641,537,512
$ 35,916,749	$ 569,141,009	$ --	$ 1,102,120,853
--	--	--	40,400,723
15,976,372	1,059,409,781	--	1,181,666,832
--	--	--	679,540
--	5,315,460,080	--	5,365,379,683
--	--	--	4,023,499
--	--	--	1,097,000
--	--	2,034,445,000	2,034,445,000
--	--	67,159,568	72,286,624
51,893,121	6,944,010,870	2,101,604,568	9,802,099,754
151,286,656	128,389,944	--	533,117,110
--	37,805,743	--	52,118,521
380,675,456	309,287,954	--	907,103,900
(417,490,259)	(391,318,247)	--	(652,901,773)
114,471,853	84,165,394	--	839,437,758
$ 166,364,974	$ 7,028,176,264	$ 2,101,604,568	$ 10,641,537,512

STATE OF NEW JERSEY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	General Fund	Special Revenue Funds
REVENUES		
Taxes	$ 3,860,081,167	$ 1,421,875,251
Federal and other grants	1,667,765,700	--
Licenses and fees	293,074,031	33,937,733
Services and assessments	437,106,682	3,977,717
Investment earnings	10,020,186	1,676,196
Other	41,123,634	520,311,847
Total Revenues	6,309,171,400	1,981,778,744
OTHER INCREASES		
Transfers from other funds	330,272,077	40,668,519
Proceeds from sale of bonds	--	--
Other	1,068,276	3,579,474
Total Other Increases	331,340,353	44,247,993
Total Revenues and Other Increases	6,640,511,753	2,026,026,737
EXPENDITURES		
Public safety and criminal justice	374,237,148	20,637,268
Physical and mental health	1,055,145,650	1,485,467
Educational, cultural and intellectual development	1,927,525,718	969,764,119
Community development and environmental management	207,966,892	2,549,437
Economic planning, development and security	1,085,865,727	40,167,366
Transportation services	363,858,115	--
Government direction, management and control	1,365,567,691	417,670,117
Special government services	50,541,559	302,655,068
Debt service		
Principal	--	--
Interest	--	--
Total Expenditures	6,430,708,500	1,754,928,842
OTHER DECREASES		
Transfers to other funds	185,628,105	311,732,472
Other	20,769,452	2,601,679
Total Other Decreases	206,397,557	314,334,151
Total Expenditures and Other Decreases	6,637,106,057	2,069,262,993
Net Increase (Decrease) in Fund Balances for the Year	3,405,696	(43,236,256)
FUND BALANCES - JULY 1, 1981	550,355,577	130,275,494
FUND BALANCES - JUNE 30, 1982	$ 553,761,273	$ 87,039,238

Debt Service Fund	Capital Projects Funds	Trust and Agency Funds	Total (Memorandum Only)
$ --	$ --	$ 881,698,701	$ 6,163,655,119
--	135,618,039	119,242,077	1,922,625,816
--	--	4,516,492	331,528,256
--	--	33,937,876	475,022,275
--	--	520,108,727	531,805,109
--	507,323	21,838,208	583,781,012
--	136,125,362	1,581,342,081	10,008,417,587
185,628,105	17,740,230	67,860,972	642,169,903
--	180,000,000	120,000,000	300,000,000
--	--	89,136,586	93,784,336
185,628,105	197,740,230	276,997,558	1,035,954,239
185,628,105	333,865,592	1,858,339,639	11,044,371,826
--	--	19,184,749	414,059,165
--	--	--	1,056,631,117
--	20,555,364	7,016,395	2,924,861,596
--	69,108,471	109,401,547	389,026,347
--	--	1,363,342,280	2,489,375,373
--	205,047,457	--	568,905,572
--	--	1,068,470	1,784,306,278
--	--	--	353,196,627
92,875,000	--	--	92,875,000
110,167,230	--	--	110,167,230
203,042,230	294,711,292	1,500,013,441	10,183,404,305
--	15,976,373	128,832,953	642,169,903
--	--	129,816,845	153,187,976
--	15,976,373	258,649,798	795,357,879
203,042,230	310,687,665	1,758,663,239	10,978,762,184
(17,414,125)	23,177,927	99,676,400	65,609,642
17,414,125	91,293,926	(15,511,006)	773,828,116
$ --	$ 114,471,853	$ 84,165,394	$ 839,437,758

GENERAL FUND

The General Fund is the fund into which all State revenues, not otherwise restricted by statute, are deposited and from which appropriations are made. The largest part of the total financial operations of the State are accounted for in the General Fund. Revenues received from most taxes and Federal revenue and certain miscellaneous revenue items are recorded in the General Fund. The appropriations act enacted by the Legislature provides the basic framework for the operation of the General Fund.

LEGISLATIVE SERVICES COMMISSION

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State of New Jersey

OFFICE OF LEGISLATIVE SERVICES
DIVISION OF STATE AUDITING
STATE HOUSE ANNEX, CN-067
TRENTON, NEW JERSEY 08625
TELEPHONE (609) 292-6430

JAMES J. DOLAN
STATE AUDITOR

December 22, 1982

TO: Honorable Thomas H. Kean
Governor of New Jersey

Honorable Carmen A. Orechio
President of the Senate

Honorable Alan J. Karcher
Speaker of the General Assembly

Mr. Samuel A. Alito
Executive Director
Office of Legislative Services

Gentlemen:

We have examined the balance sheet of the General Fund of the State of New Jersey as of June 30, 1982, and the related statements of revenues, expenditures and changes in fund balances; revenues, expenditures and changes in fund balances, budget and actual - budgetary basis for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records, and such other auditing procedures as we considered necessary in the circumstances.

The financial statements presented are for the General Fund only and are not intended to present fairly the financial position of the State of New Jersey at June 30, 1982, or results of operations for the year then ended in conformity with generally accepted accounting principles. The attached statements do not report on Special Revenue Funds, Capital Projects Funds, Debt Service Fund, and General Long-Term Debt Account Group on which the State Auditor renders opinions. Also not included in these statements are the Trust and Agency Funds and Fixed Asset Account Group which have not been examined by the State Auditor.

As discussed in Notes 13 and 14 to the financial statements, the State is a defendant in several law suits and the audits of Federal funds have not been completed. These legal actions and/or audits have the potential for either a significant loss of revenue or unanticipated expenditures. The ultimate outcome of the law suits and/or the audits cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

In our opinion, subject to the effects on the financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainty referred to in the preceding paragraph been known, the accompanying financial statements present fairly the financial position of the General Fund as of June 30, 1982 and the results of operations for the year then ended in conformity with generally accepted accounting principles, applied on a basis consistent with the preceding year.

The examination was performed and this report is submitted pursuant to the State Auditor's audit responsibilities as set forth in Article VII, Section 1.6 of the State Constitution, and N.J.S.A. 52:24-4, Legislative Services Law of 1978.

Respectfully submitted,

James J. Dolan

James J. Dolan
State Auditor

STATE OF NEW JERSEY
GENERAL FUND
BALANCE SHEET
JUNE 30, 1982 AND JUNE 30, 1981

	JUNE 30, 1982	JUNE 30, 1981
ASSETS		
CASH		
Demand accounts (Note 2)	$ 6,226,810	$ 100,547
Time accounts	15,600,000	--
INVESTMENTS AT BOOK VALUE (Note 3)	35,804,385	405,717,239
RECEIVABLES (Note 4)		
Taxes	208,992,966	232,009,980
Federal government	126,133,946	176,048,736
Departmental accounts	181,138,291	136,218,444
Loans	312,703	122,212
Other	53,055,644	57,268,918
OTHER ASSETS		
Due from other funds (Note 5)	504,350,817	151,209,994
Advances to other funds	679,540	2,741,565
Deferred charges	2,940,000	--
Total Assets	$ 1,135,235,102	$ 1,161,437,635
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable (Note 7)	$ 473,275,171	$ 467,590,181
Deferred revenue	39,844,303	27,694,863
Due to other funds (Note 5)	35,441,856	87,445,393
Other	32,912,499	28,351,621
Total Liabilities	581,473,829	611,082,058
FUND BALANCES (Note 1)		
Reserved for encumbrances	245,553,575	184,438,672
Reserved for non-current resources	14,189,927	12,995,840
Unreserved		
Designated for subsequent years' expenditures	215,285,955	164,807,757
Undesignated	78,731,816	188,113,308
Total Fund Balances	$ 553,761,273	$ 550,355,577
Total Liabilities and Fund Balances	$ 1,135,235,102	$ 1,161,437,635

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30, 1982 AND JUNE 30, 1981

	FISCAL YEAR 1982	FISCAL YEAR 1981
REVENUES		
Taxes	$ 3,860,081,167	$ 3,504,173,455
Federal and other grants	1,667,765,700	1,741,706,766
Licenses and fees	293,074,031	279,633,696
Services and assessments	437,106,682	384,355,192
Investment earnings	10,020,186	2,853,982
Other	41,123,634	97,727,248
Total Revenues	6,309,171,400	6,010,450,339
OTHER INCREASES		
Transfers from other funds	330,272,077	313,996,535
Other	1,068,276	986,877
Total Other Increases	331,340,353	314,983,412
Total Revenues and Other Increases	6,640,511,753	6,325,433,751
EXPENDITURES		
Public safety and criminal justice	374,237,148	322,153,140
Physical and mental health	1,055,145,650	1,036,256,027
Educational, cultural and intellectual development	1,927,525,718	1,957,056,644
Community development and environmental management	207,966,892	168,364,265
Economic planning, development and security	1,085,865,727	1,077,099,769
Transportation services	363,858,115	398,907,685
Government direction, management and control	1,365,567,691	1,195,768,515
Special government services	50,541,559	44,367,442
Total Expenditures	6,430,708,500	6,199,973,487
OTHER DECREASES		
Transfers to other funds (Note 9)	185,628,105	173,812,040
Other	20,769,452	12,435,180
Total Other Decreases	206,397,557	186,247,220
Total Expenditures and Other Decreases	6,637,106,057	6,386,220,707
Net Increase (Decrease) in Fund Balances for the Year	3,405,696	(60,786,956)
FUND BALANCES AT BEGINNING OF YEAR	550,355,577	611,142,533
FUND BALANCES AT END OF YEAR	$ 553,761,273	$ 550,355,577

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	ACTUAL ON BUDGETARY BASIS	BUDGET (Note 1)	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	$ 3,860,081,167	$ --	$ 3,860,081,167	$ 3,864,923,658	$ (4,842,491)
Federal and other grants	1,667,765,700	(37,731,044)	1,630,034,656	1,593,984,796	36,049,860
Licenses and fees	293,074,031	--	293,074,031	326,058,008	(32,983,977)
Services and assessments	437,106,682	--	437,106,682	444,877,398	(7,770,716)
Investment earnings	10,020,186	--	10,020,186	11,689,450	(1,669,264)
Other	41,123,634	--	41,123,634	20,268,137	20,855,497
Total Revenues	6,309,171,400	(37,731,044)	6,271,440,356	6,261,801,447	9,638,909
OTHER INCREASES					
Transfers from other funds	330,272,077	--	330,272,077	269,141,023	61,131,054
Other	1,068,276	82,173,560	83,241,836	82,173,560	1,068,276
Total Other Increases	331,340,353	82,173,560	413,513,913	351,314,583	62,199,330
Total Revenues and Other Increases	6,640,511,753	44,442,516	6,684,954,269	6,613,116,030	71,838,239
EXPENDITURES					
Public safety and criminal justice	374,237,148	2,157,611	376,394,759	393,794,568	17,399,809
Physical and mental health	1,055,145,650	73,491,314	1,128,636,964	1,140,268,943	11,631,979
Educational, cultural and intellectual development	1,927,525,718	3,663,082	1,931,188,800	1,979,441,317	48,252,517
Community development and environmental management	207,966,892	5,009,786	212,976,678	228,652,162	15,675,484
Economic planning, development and security	1,085,865,727	12,930,619	1,098,796,346	1,138,695,976	39,899,630
Transportation services	363,858,115	(22,814,800)	341,043,315	401,419,906	60,376,591
Government direction, management and control	1,365,567,691	16,404,107	1,381,971,798	1,432,088,977	50,117,179
Special government services	50,541,559	378,240	50,919,799	52,352,583	1,432,784
Total Expenditures	6,430,708,500	91,219,959	6,521,928,459	6,766,714,432	244,785,973
OTHER DECREASES					
Transfers to other funds (Note 9)	185,628,105	--	185,628,105	185,628,105	--
Other	20,769,452	--	20,769,452	--	(20,769,452)
Total Other Decreases	206,397,557	--	206,397,557	185,628,105	(20,769,452)
Total Expenditures and Other Decreases	6,637,106,057	91,219,959	6,728,326,016	6,952,342,537	224,016,521
Net Increase (Decrease) in Fund Balances for the Year	$ 3,405,696	$ (46,777,443)	$ (43,371,747)	$ (339,226,507)	$ 295,854,760

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
GENERAL FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The National Council on Governmental Accounting in its publication entitled Statement 1 - Governmental Accounting and Financial Reporting Principles defines a fund as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. These statements reflect financial reporting practices in accordance with that definition.

General Fund:

The General Fund is the fund into which all State revenues, not otherwise restricted by statute, are deposited and from which appropriations are made. The largest part of the total financial operations of the State are accounted for in the General Fund. Revenues received from most taxes and Federal revenues and certain miscellaneous revenue items are recorded in the General Fund. The appropriations act enacted by the Legislature provides the basic framework for the operation of the General Fund.

(B) BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the the timing of the measurements made regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Under this basis revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance expenditures of the fiscal period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Those major revenues which are considered to be susceptible to accrual include Sales Tax, Cigarette Tax, Corporation Business Tax, Motor Fuels Tax, Transfer Inheritance Tax, Patients and Residents Cost Recoveries, and Federal Revenues.

Those major revenues which are not considered to be susceptible to accrual include Motor Vehicles Fees, Insurance Premiums Tax, Public Utility Excise Tax, Business Personal Property Tax, and Alcoholic Beverage Excise Tax.

Refunds of revenue applicable to June 30 but paid subsequently are recognized as a liability and as a reduction of revenue.

Appropriations are authorized by an act of the Legislature for expenditure during the fiscal year and for a period of one month thereafter. Expenditures are recorded on an accrual basis when the related liability is incurred. Modifications to the accrual basis of accounting include:

(a) Disbursements for prepaid expenses, inventory items, and fixed assets are recorded as expenditures when incurred.

(b) Accumulated unpaid vacation and sick pay which are not accrued. (See Note 8).

Encumbrances represented by executed purchase orders and contracts are recorded and reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Contributions for Social Security are recorded on a cash basis. The contributions paid in fiscal year 1982 cover the 12 month period ending May 30, 1982. The State contribution for the month of June 1982, amounting $21.1 million, is recorded in fiscal year 1983.

(C) REVENUE AND EXPENDITURE BUDGETS

The General Fund operates under a budgetary control system comprised of:

(a) The Annual Appropriations Act approved June 30, 1981 for fiscal year 1982 and various supplemental appropriations acts approved during the fiscal year.

(b) Reappropriations (authorized by the Annual Appropriations Act) of prior year funds which are available for expenditure in the current year.

(c) Appropriated Revenues (authorized by the Annual Appropriations Act) which establish certain revenues as appropriations.

The above items provided the following amounts for the fiscal year 1982 budget:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) REVENUE AND EXPENDITURE BUDGETS (Continued)

	(Millions) Revenues and Other Increases	Expenditures and Other Decreases
Annual Appropriations Act	$ 4,127.1	$ 4,265.5
Reappropriations	82.2	283.0
Appropriated Revenue	2,403.8	2,403.8
Totals	$ 6,613.1	$ 6,952.3

Budgetary control is maintained at the program unit level.

The accompanying statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual - Budgetary Basis presents comparisons of the legally adopted budget with actual data on a budgetary basis.

The State's budgetary basis of accounting differs from that utilized to present financial statements in conformance with generally accepted accounting principles (GAAP). The main difference between the budgetary basis and the GAAP basis is that under the budgetary basis encumbrances are recognized as expenditures.

There were no expenditures in excess of appropriations in the General Fund as of June 30, 1982 and June 30, 1981.

(D) FIXED ASSETS

The State owns extensive fixed assets consisting of: (1) land, (2) office buildings, hospitals, educational facilities, etc., (3) equipment used in construction, data processing, hospitals, offices, etc. Since the General Fund is accounted for on a spending or financial flow measurement focus, only current assets and current liabilities are included in the balance sheet. Fixed assets are therefore recorded as expenditures at the time of acquisition and are not included as assets of the General Fund.

(E) REPORTING ENTITY

The financial statements for the General Fund include the State's centralized accounts for the State's 20 operating departments as well as the operations of the Chief Executive's Office, the Legislature, and the Judiciary. The financial statements reflect governmental financial activities and financial resources except those required to be accounted for in another fund.

The financial activities of statewide public corporations and authorities generally financed and managed independently of the centralized State government but which engage in governmental types of operations are not included in the General or other fund financial statements. Further information concerning the major public corporations and authorities is found in the Statistical Section of the Comprehensive Financial Report.

(F) FUND BALANCES

The Fund balance of the General Fund consists of:

(a) Reserved for encumbrances - used to segregate a portion of fund balance to provide for expenditure upon vendor performance of purchase agreements.

(b) Reserved for non-current resources - used to earmark a portion of the fund balance to indicate it is not a resource currently available for appropriation or expenditure.

(c) Unreserved-Designated for subsequent years' expenditures - used to represent that portion of the fund balance available to finance expenditures of the subsequent period.

(d) Unreserved-Undesignated - used to represent that portion of fund balance resources available for appropriation.

(G) OTHER

Other significant accounting policies are described in Notes 2 to 12.

NOTE 2 - CASH

Negative book balances of $101.8 million representing a managed overdraft have been reclassified and are included in the accounts payable balance.

Compensating balance agreements are maintained with three banks handling the majority of cash transactions for the General and for numerous other State funds. The agreements provide for an analysis

NOTE 2 - CASH (Continued)

of each of the accounts whereby the cost of maintaining the accounts are offset by earnings of funds on deposit. Withdrawal of cash is not legally restricted and in many instances the account balances maintained constitute normal working balances. During fiscal year 1982, the cost of transactions handled by the banks approximate $2.6 million for all funds.

NOTE 3 - INVESTMENTS

All securities purchased are recorded at cost and amortized for premium or discount. Securities received as donations and from settlement of claims are recorded at market value when received, and any difference between that and the par value is amortized. At June 30, 1982 and June 30, 1981, the book value approximates market value.

In addition to the amounts invested directly, the General Fund participates in the State of New Jersey Cash Management Fund wherein amounts also contributed by other funds and local governments, are combined into a large scale investment program. The General Fund participation, in the amount of $385.9 million for 1982 and $85.4 million for 1981, is reflected as part of Due from other funds in the Balance Sheet. The value of the Cash Management Fund at the balance sheet date approximates market value.

NOTE 4 - RECEIVABLES

Federal government receivables are composed of amounts established as appropriations based upon grant awards, the expenditure of which is the basis for reimbursement.

These Federal receivables as of June 30, 1982 and 1981 are reported in conformance with generally accepted accounting principles as defined in Statement 2 - Grant Entitlement and Shared Revenue Accounting and Reporting by State and Local Governments published by the National Council of Governmental Accounting. In as much as encumbrances do not constitute expenditures, and since recognition of grants and entitlements as revenue is primarily based on expenditures, there is an additional $350.6 million and $414.3 million of Federal government awards consisting of encumbrances and appropriation balances which are considered unearned and unrecorded as of June 30 1982 and June 30, 1981 respectively. In addition at June 30, 1982 there was $271.1 million ($450.0 million at June 30, 1981) of unrecorded transportation apportionments deferred to future years. Since all amounts due from the Federal government are considered to be collectible, no allowance has been established for doubtful collections. Also see Note 14 - Federal Programs.

Taxes and Departmental accounts receivable include amounts which where substantially collected within the one month period subsequent to June 30. Amounts included in these receivables but not collected within the one month period subsequent to June 30, are deemed to be collectible and therefore no allowance for doubtful accounts is necessary.

Loans and Other receivables are reflected net of allowances of $64.3 million and $12.3 million for 1982 and 1981 respectively. Included in the 1982 allowance ($64.3 million) is $11.4 million representing accrued interest receivable on delinquent railroad taxes and $38.9 million representing amounts due from indigent clients for services rendered by the Department of the Public Advocate which were not previously recorded. Collections on these receivables is considered highly doubtful, and therefore the receivables have been fully reserved at June 30, 1982.

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables are referred to respectively as Due from other funds and Due to other funds on the Balance Sheet. A summary of interfund receivables and payables for the General Fund at June 30, 1982 is shown below.

	Due From Other Funds (Millions)	Due To Other Funds (Millions)
Cash Management Fund	$ 385.9	$ --
Casino Revenue Fund	--	32.9
Property Tax Relief Fund	43.0	--
State Lottery Fund	18.3	--
All Other	57.2	2.5
TOTAL	$ 504.4	$ 35.4

All Other is composed of individual receivables and payables each of which is $6.0 million or less.

NOTE 6 - GENERAL FIXED ASSETS

General Fixed Assets are recorded as expenditures at the time of acquisition. This accounting treatment is in conformance with Statement 1 - Governmental Accounting and Financial Reporting Principles which states the primary purposes for a governmental fund accounting (General Fund) are to reflect its revenues and expenditures - the sources and uses of its financial resources - and its assets and related liabilities, and net financial resources available for subsequent appropriation and expenditure. General Fixed Assets do not represent financial resources available for expenditure, but are items for which financial resources have been used.

NOTE 7 - ACCOUNTS PAYABLE

Accounts payable balances of $473.3 million as of June 30,1982 and $467.6 million as of June 30, 1981 include negative cash book balances (See Note 2) of $101.8 million and $114.2 million respectively. Also included in the Accounts payable balance as of June 30, 1981 is an accrual of $39.3 million representing 1981 Medicaid claims and $5.7 million representing 1981 Welfare claims which were authorized for payment from 1982 appropriations. The remaining balance of $373.3 million for 1982 and $308.4 million for 1981 represents the amounts due for goods and services received by the State prior to June 30, 1982 and June 30, 1981 respectively.

NOTE 8 - ACCUMULATED UNPAID SICK AND VACATION BENEFITS

Cash payments for accumulated sick leave balances are made to retiring employees upon regular retirement. The payment is based on 50% of the employees' sick leave accumulation, at the pay rate in effect at the time of retirement up to a maximum of $12,000. Employees separating from the State service prior to retirement are not entitled to payments for accumulated sick leave balances. At June 30, 1982 accumulated employee sick leave balances had an estimated value of $205.8 million. Cash payments for sick leave at retirement are made from annual legislative appropriations for salaries and wages on a "pay-as-you-go basis". Sick leave accumulations may also be used by an employee for a personal illness or injury as a means of continuing their regular pay during the illness or injury.

At June 30, 1982, unpaid vacation was not in excess of normal years accumulation.

NOTE 9 - GENERAL LONG TERM DEBT

The general long term debt outstanding as of June 30, 1982 is $2,034,445,000,which is secured by the full faith and credit of the State (the General Fund). Amounts outstanding are to be raised and appropriated through future appropriations acts.

The amount provided by the General Fund to the Debt Service Fund for interest and principal payments for the fiscal year ended June 30, 1982 was $185,628,105. This is reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balances as the transfer to other funds.

A summary of debt service requirements on outstanding bonds as of June 30, 1982 to maturity is as follows:

Fiscal Year	Interest	Principal
1983	$ 131,332,871	$ 107,590,000
1984	124,893,226	115,595,000
1985	117,529,322	116,750,000
1986	110,181,807	118,255,000
1987	102,999,907	116,510,000
1988-1992	405,319,844	558,245,000
1993-1997	231,310,447	496,500,000
1998-2002	83,981,857	346,100,000
2003-2006	5,618,407	58,900,000
	$1,313,167,688	$2,034,445,000

In addition,the State (the General Fund) has guaranteed the principal and interest payments on bonds issued by the New Jersey Highway Authority and the New Jersey Sports and Exposition Authority. The amounts outstanding on these bonds as of June 30, 1982, are $44,256,000 and $289,140,000 respectively. The State's liability is contingent upon each Authority's inability to meet such debt service requirements through derived revenues. The State believes that the revenue of these authorities will be sufficient to provide for the payment of debt service on these obligations without recourse to the State's guarantee.

The State may be required to provide appropriations to meet any annual deficiencies in debt service for the South Jersey Port Corporation and the New Jersey Housing Finance Agency. However, the Legislature is not legally bound to make such appropriations for these "moral obligation" bonds.

NOTE 9 - GENERAL LONG TERM DEBT (Continued)

In addition, New Jersey statutes provide that each school district shall be entitled to receive annual appropriations from the State for the payment of debt service on a maximun principal amount of $280,000,000 of bonds issued by the local school districts. The statutes also provide, in certain situations, for payments by the State for debt service on a maximum of $40,000,000 of county college bonds. Future legislatures are not legally bound to make such appropriations.

NOTE 10 - PENSIONS

The State of New Jersey sponsors and administers six pension plans covering substantially all State and other governmental employees and which are actuarially reserved as follow:

Teachers' Pension Annuity Fund (TPAF)
Public Employees' Retirement System (PERS)
Judicial Retirement System (JRS)
State Police Retirement System (SPRS)
Police & Firemen Retirement System (P&FRS)
Consolidated Police & Firemen Pension Fund (CP&FPF)

In Addition to the above reserved programs, there is the Prison Officer's Pension Fund which is a closed system and is funded on a pay-as-you-go basis. During the year ended June 30, 1982 the State appropriated $2.0 million to the plan.

Also, eligible employees of the various state and county universities and colleges are members of the TIAA-CREF, a privately administered retirement plan. The State assumes no liability for this group of employees other than payment of employers' costs in accordance with the enabling legislation. During the year ended June 30, 1982 the State appropriated $19.8 million to the TIAA-CREF Plan.

All of the actuarially reserved systems are multiple employer, defined benefit plans, and are contributory. Benefits are determined by a formula using either the high three-year average salary or salary at the time of retirement and the years of service of each employee. Employer contributions to each system are deterimend on an actuarial reserve basis providing funding for both normal and accrued liability costs. 1982 pension costs reflect the 1980 actuarial liability.

An experience study of the systems is conducted every three years, with the exception of the Consolidated Police and Firemen Pension Fund where the experience study is conducted every five years. During the fiscal year ended June 30, 1982 the State contributed $341.5 million to these systems.

An actuarial valuation is made each year, with the most recent having been completed as of June 30, 1981, for the Judiciary and State Police Pension Funds. The Consolidated Police and Firemen Pension Fund latest available valuation is December 31, 1980. Police and Firemen Retirement System (June 30, 1980), Teachers Pension and Annuity Fund (March 31, 1981), and the Public Employees Retirement System (March 31, 1981).

As of the above valuations, the total net assets of all funds exceeded the present value of vested benefits, of all funds, by $1.9 billion. In addition, the unfunded liability of $2.5 billion for the six systems are based on benefits for past and future service. The State's share was $1.0 billion and the political subdivision's $1.5 billion.

None of the above calculations included any amount attributable to the cost of living provisions which are funded on a pay-as-you-go basis. During fiscal year 1982 the State contributed $100.6 million to the Pension Adjustment Fund for this purpose. Other significant disclosures concerning the individual systems are as follows:

NOTE 10 - PENSIONS (Continued)

		TPAF	PERS	JRS	SPRS	P & FRS	CP & FPF
1.	Classes of Employees	Teaching Employees	General Employees	Supreme Court Justices & Superior County District & Domestic Court Justices	State Police Troopers & Officers	Police & Firemen	Police & Firemen
2.	Eligibility Requirements	All Employees Under 70 Years State & Political Sub-Divisions	All Employees of State & Political Sub-Divisions	All	All Officers & Troopers	All State & Political Sub-Divisions Employees Appointed After June 1944	All State & Political Sub-Divisions Employees Appointed Prior to July 1944
3.	Nature of Fiduciary Responsibilities	Administers Fund	Administers Fund	Administers Fund	Administers Fund	Administers Fund	Administers Fund
4.	Single/Multiple Employer Plan	Multiple	Multiple	Multiple	Multiple	Multiple	Multiple
5.	Contributions-(Including Insurance Premiums) Actual Current Year (in millions)	$229.4	$85.2	$4.3	$11.9	$4.5	$6.1
	Statutory Required Current Year	Same	Same	Same	Same	Same	Same
	Actuarially Required Current Year	Same	Same	Same	Same	Same	Same
6.	State Share Unfunded Liabilities*(in millions) Vested and Unvested	$538.2	$197.3	$20.3	$64.0	$95.8	$53.3
7.	Will Current Contributions (As % of Active Employees) Remain Approximately Level	Yes	Yes	Yes	Yes	Yes	No-Will Decrease

*The actuarially computed value of unfunded liabilities cannot be allocated to vested or unvested liability.

NOTE 11 - REALTY LEASE COMMITMENTS

At June 30, 1982, there are 704 realty lease agreements with unexpired periods ranging to 21 years. During fiscal year 1982, rental expense amounted to $35.8 million. Future obligation for those leases amounts to $117.5 million, and the annual rental is as follows:

F.Y. 1983	$ 30.4 million
F.Y. 1984	18.2 million
F.Y. 1985	14.0 million
F.Y. 1986	11.6 million
F.Y. 1987	8.5 million
Thereafter	34.8 million
	$117.5 million

In addition to the above, the State has entered into three agreements (two dated 10/15/64 and one dated 6/16/65) whereby the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund have invested construction costs of approximately $17.9 million for the Education Building, State Cultural Center and Health and Agriculture Building. Under these agreements, the facilities are owned by the Pension Funds and leased to the State for a period of 20 years, and at the end of the term, the State may exercise its option to purchase the facilities at a nominal amount. At June 30, 1982, the remaining lease obligation for these three agreements is $3.9 million:

Department of Education Building	$ 332,355
State Cultural Center	1,623,780
Health and Agriculture Building	1,993,051

The State has also entered into two lease agreements with the Mercer County Improvement Authority whereby the Authority would issue its obligation to finance the cost of:

(a) Purchasing and leasing of certain property to the State for use as a tax processing building. Under the lease agreement, the State has agreed to pay the Authority an annual rental equal to the debt service on the outstanding bonds, plus payments due in lieu of real estate taxes. The lease term coincides with the amortization of bonds whereby the last payment is made in October 1992. Upon expiration of the lease, the Authority agrees to convey to the State the facility without additional consideration. Total lease obligation for this building, which is subject to yearly appropriations by the State legislature, amounted to approximately $2.7 million as of June 30, 1982. Substantial amounts of the rental payments are charged to the Property Tax Relief Fund.

(b) Construction and rental of a State Justice Complex. Under the lease agreement, the State has agreed to pay the Authority an annual rental equal to the debt service on the outstanding bonds, plus payments due in lieu of real estate taxes. The lease term coincides with the amortization of bonds whereby the last payment is made January 2018. Upon expiration of the lease, the Authority agrees to convey to the State, the Justice Complex for the sum of one dollar. Total lease obligations for this building, which is subject to yearly appropriations by the State legislature amounted to approximately $319.2 million as of June 30, 1982.

In addition, the State also has lease purchase agreements for data processing, word processing, typewriters, and various other items of equipment.

NOTE 12 - OTHER MATTERS

Various funds, consisting solely of cash and accounts payable, previously recorded as Trust and Agency Fund types have been recorded in the accounts of the General Fund for fiscal year 1982. These funds basically represent clearing accounts for payroll activity and are not considered to fall within Statement 1's definition of a fund. Those Trust and Agency Funds and associated amounts included within the cash and accounts payable accounts of the General Fund as of June 30, 1982 include the following:

	1982	1981
State Employees' Dental Care Deductions Fund	$ 7,995	$ 5,486
State Employees' Health Benefits Deductions Fund	$31,418	$26,290
State Employees' Miscellaneous Deductions Fund	$48,905	$44,080

The Balance Sheet as of June 30, 1981 has not been restated for comparative purposes since there is no material effect as of June 30, 1981.

NOTE 13 - CONTINGENT LIABILITIES

The State is involved in a number of legal actions wherein the State of New Jersey has the potential for either significant loss of revenue or unanticipated expenditure. The exact amount involved in these legal proceedings is not fully determinable as of June 30, 1982 but approximates $270 million. The bulk of this amount ($224 million) involves proceedings by individual New York and Pennsylvania residents seeking refunds of commuter taxes paid by them on the ground, among others, that the imposition of taxes is invalid under the U.S. Constitution. The New Jersey Supreme Court has declared certain commuter taxes (Emergency Transportation Tax) to be constitutional. Plaintiffs have appealed this decision to the Appellate Division of the Superior Court.

Pursuant to the New Jersey Tort Claims Act there are approximately 1,459 tort cases and 860 notices of claims filed against the State. The State is unable to estimate its exposure for these cases and claims. An independent study estimated an aggregate potential exposure of $50 million for claims pending as of January 1, 1982.

NOTE 14 - FEDERAL PROGRAMS

Under the terms of various grant awards, expenditures from Federal funds are subject to audit. As of June 30, 1982, audits of expenditures for fiscal years 1982 and prior may not be completed. Disallowances, if any, which may result from these audits are not determinable at this time.

Federal expenditures for fiscal year 1982 and the three preceding years are as follows:

F.Y. 1982	$1.7 billion
F.Y. 1981	$1.7 billion
F.Y. 1980	$1.5 billion
F.Y. 1979	$1.4 billion

NOTE 15 - SUBSEQUENT EVENTS

Court Fees

The U.S. Supreme Court rejected an appeal challenging the constitutionality of an extra court fee of up to $60 that had been charged for New Jersey divorce proceedings until September 1980. As a result of the Supreme Court action, $2 million collected between 1979 and 1980 will not be distributed to 25,000 persons who paid the fee but will be kept by the State.

Receivables

The State has received approximately $17.8 million from various railroads in payment of receivables for railroad property and franchise taxes plus accrued interest which were delinquent and substantially reserved as of the balance sheet. These payments will be reflected as revenue in fiscal year 1983.

Realty Lease Commitments

The State has entered into a project and agreement with the New Jersey Building Authority for the construction and rental of various office buildings and a laboratory. The project consists of four office facilities and a pest control laboratory with a combined gross building space of approximately 1.25 million square feet located in Trenton, the State Capital, and adjacent Ewing Township, New Jersey. The aggregate cost of the project, exclusive of interest during construction and financing costs is estimated to be approximately $125,000,000.

Pursuant to a lease and agreement, dated November 15, 1981, between the State and the Authority, the State will make lease rental payments at times and in amounts sufficient to pay debt service on Authority Bonds, and certain administrative expenses of the Authority.

The State's obligation to make lease rental payments and any other obligation of the State under the lease are subject to and dependent upon appropriations being made by the State Legislature for such purpose. The lease term for the project commences on the date of issuance and delivery of the Authority Bonds. At maturity the State has the option to purchase the facilities for nominal amounts.

As of the report date the Authority has not issued and delivered all of its bonds, nor has any actual construction begun on any of the facilities.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

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State of New Jersey

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JAMES J. DOLAN
STATE AUDITOR

December 22, 1982

TO: Honorable Thomas H. Kean
Governor of New Jersey

Honorable Carmen A. Orechio
President of the Senate

Honorable Alan J. Karcher
Speaker of the General Assembly

Mr. Samuel A. Alito
Executive Director
Office of Legislative Services

Gentlemen:

We have examined the combining balance sheet of the Special Revenue Funds of the State of New Jersey as of June 30, 1982 and the related combining statements of revenues, expenditures and changes in fund balances; revenues, expenditures and changes in fund balances, budget and actual-budgetary basis (Casino Control Fund, Casino Revenue Fund, Gubernatorial Elections Fund, and the Property Tax Relief Fund) for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records, and such other auditing procedures as we considered necessary in the circumstances, except as noted in the following paragraphs.

Our examination was limited to those funds reported by the State Treasurer as Special Revenue Funds. Our review did not include those funds, if any, which may also be special revenue funds, but which in accordance with New Jersey accounting policy were reported in other fund classifications.

The financial statements presented are for the Special Revenue Funds only and are not intended to present fairly the financial position of the State of New Jersey at June 30, 1982, or results of operations for the year then ended in conformity with generally accepted accounting principles. The attached statements do not report on the General Fund, Capital Projects Funds, Debt Service Fund, and General Long-Term Debt Account Group on which the State Auditor renders opinions. Also not included in these statements are the Trust and Agency Funds and Fixed Assets Account Group which have not been examined by the State Auditor.

During Fiscal Year 1982, the State changed certain of its financial accounting and reporting practices for the Special Revenue Funds to more closely conform to generally accepted accounting principles as defined by Governmental Accounting and Financial Reporting Principles (Statement 1). These changes with which we concur are more fully explained in Note 2 and principally included: obligations for future installment payments of lottery prizes due beyond one year from the balance sheet date are now recorded at projected amounts in the General Long-Term Debt Account Group; the State Disability Benefit Fund and the Unemployment Compensation Fund which were previously included as special revenue funds, were reclassified as trust and agency funds; the Unemployment Compensation Auxiliary Fund which was previously included as a trust and agency fund has been reclassified as a special revenue fund, for the Fiscal Year ended June 30, 1982, and the New Jersey Spill Compensation Fund included Federal grants as fund revenues, previously they were accounted for as reductions of project expenditures. In addition, the tax on hazardous substances has been recorded on a modified accrual basis, rather than on the accrual basis as in the prior fiscal year.

As discussed in Note 16 to the financial statements, claims totaling $3.8 million have been filed against the New Jersey Spill Compensation Fund by third parties for damages caused by spills. The ultimate disposition of these claims cannot presently be determined, and no provision for any liability that may result has been made in the financial statements.

In our opinion, except for the effects on consistency of the changes in financial accounting and reporting practices and the limitation of testing as set forth in the preceding paragraphs, and subject to the effect on the financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainty referred to in the preceding paragraph been known, the accompanying financial statements present fairly the financial position of the Special Revenue Funds as of June 30, 1982 and the results of operations for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The examination was performed and this report is submitted pursuant to the State Auditor's audit responsibility as set forth in Article VII, Section 1.6 of the State Constitution, and N.J.S.A. 52:24-4, Legislative Services Law of 1978.

Respectfully submitted,

James J. Dolan

James J. Dolan
State Auditor

STATE OF NEW JERSEY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1982

	Casino Control Fund	Casino Revenue Fund	Gubernatorial Elections Fund	New Jersey Spill Compensation Fund	Property Tax Relief Fund
ASSETS					
CASH					
Demand accounts (Note 3)	$ --	$ --	$ --	$ 89,555	$ --
INVESTMENTS AT BOOK VALUE (Note 4)	--	--	--	--	--
RECEIVABLES (Note 5)					
Taxes	--	--	--	25,473	81,391,556
Departmental accounts	3,337,426	2,487,937	1,791,076	--	1,732,737
Other	--	--	--	69,788	--
OTHER ASSETS					
Due from other funds (Note 6)	--	32,924,990	--	20,745,427	--
Deferred charges	--	--	--	--	--
Deposit fund contracts	--	--	--	--	--
Total Assets	$ 3,337,426	$ 35,412,927	$ 1,791,076	$ 20,930,243	$ 83,124,293
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable (Note 8)	$ 4,471,614	$ 2,046,801	$ 173,237	$ 3,204,016	$ 1,519,666
Due to other funds (Note 6)	3,065,622	--	3,317,839	3,081,915	43,076,337
Advances from other funds (Note 9)	--	--	679,540	--	--
Other (Note 10)	65	--	--	14,284	7,548,076
Deferred revenue	--	--	--	--	--
Installment prizes payable(Note 2)	--	--	--	--	--
Total Liabilities	7,537,301	2,046,801	4,170,616	6,300,215	52,144,079
FUND BALANCES (Note 11)					
Reserved for encumbrances	861,458	1,380,640	--	3,267,324	932,249
Reserved for non-current resources	--	--	--	--	--
Unreserved					
Designated for subsequent years' expenditures	--	--	--	455,035	1,400,000
Undesignated	(5,061,333)	31,985,486	(2,379,540)	10,907,669	28,647,965
Total Fund Balances	(4,199,875)	33,366,126	(2,379,540)	14,630,028	30,980,214
Total Liabilities and Fund Balances	$ 3,337,426	$ 35,412,927	$ 1,791,076	$ 20,930,243	$ 83,124,293

The accompanying notes are an integral part of the financial statements.

Sanitary Landfill Facility Contingency Fund	State Lottery Fund	State Recycling Fund	Transportation Benefit Fund	Transportation Fund	Unemployment Compensation Auxiliary Fund	Total Special Revenue Funds
$ 51,799	$ 45,310	$ 58,400	$ 30,712	$ --	$ 25,667	$ 301,443
--	--	--	--	--	6,163,608	6,163,608
--	--	--	--	9,128,675	--	90,545,704
--	--	--	--	--	--	9,349,176
--	12,026,282	--	--	--	2,939,138	15,035,208
2,225,432	19,881,801	1,735,135	--	372,421	--	77,885,206
--	628,704	--	--	--	--	628,704
--	5,127,056	--	--	--	--	5,127,056
$ 2,277,231	$ 37,709,153	$ 1,793,535	$ 30,712	$ 9,501,096	$ 9,128,413	$ 205,036,105
$ --	$ 12,160,952	$ --	$ --	$ 211,638	$ --	$ 23,787,924
--	18,297,110	--	--	--	--	70,838,823
--	--	--	--	--	--	679,540
--	--	--	--	9,289,458	155,221	17,007,104
--	556,420	--	--	--	--	556,420
--	5,127,056	--	--	--	--	5,127,056
--	36,141,538	--	--	9,501,096	155,221	117,996,867
--	1,445,264	--	--	--	--	7,886,935
--	122,851	--	--	--	--	122,851
--	(300)	--	--	--	--	1,854,535
2,277,231	--	1,793,535	30,712	--	8,973,192	77,174,917
2,277,231	1,567,815	1,793,535	30,712	--	8,973,192	87,039,238
$ 2,277,231	$ 37,709,153	$ 1,793,535	$ 30,712	$ 9,501,096	$ 9,128,413	$ 205,036,105

STATE OF NEW JERSEY
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 1982

	Casino Control Fund	Casino Revenue Fund	Gubernatorial Elections Fund	New Jersey Spill Compensation Fund	Property Tax Relief Fund
REVENUES					
Taxes	$ --	$ 102,875,313	$ --	$ 13,789,983	$ 1,222,255,697
Licenses and fees	25,697,460	--	--	--	--
Investment earnings	--	596,517	--	--	--
Services and assessments	--	--	--	--	--
Other	--	--	1,790,199	710,939	--
Total Revenues	25,697,460	103,471,830	1,790,199	14,500,922	1,222,255,697
OTHER INCREASES					
Transfers from other funds	--	--	--	1,760,186	36,783,107
Other	--	--	--	--	--
Total Other Increases	--	--	--	1,760,186	36,783,107
Total Revenues and Other Increases	25,697,460	103,471,830	1,790,199	16,261,108	1,259,038,804
EXPENDITURES					
Public safety and criminal justice	18,070,405	--	2,566,863	--	--
Physical and mental health	--	1,485,467	--	--	--
Educational cultural and intellectual development	--	--	--	--	969,764,119
Community development and environmental management	--	750,000	--	1,799,437	--
Economic planning, development and security	--	40,167,366	--	--	--
Government direction, management and control	12,571,677	87,318,235	--	--	317,780,205
Special government services	--	--	--	--	--
Total Expenditures	30,642,082	129,721,068	2,566,863	1,799,437	1,287,544,324
OTHER DECREASES					
Transfers to other funds	--	--	--	3,081,915	--
Other	68,072	--	--	--	--
Total Other Decreases	68,072	--	--	3,081,915	--
Total Expenditures and Other Decreases	30,710,154	129,721,068	2,566,863	4,881,352	1,287,544,324
Net Increase (Decrease) in Fund Balances for the Year	(5,012,694)	(26,249,238)	(776,664)	11,379,756	(28,505,520)
FUND BALANCES - JULY 1, 1981	812,819	59,615,364	(1,602,876)	3,250,272	59,485,734
FUND BALANCES - JUNE 30, 1982	$ (4,199,875)	$ 33,366,126	$ (2,379,540)	$ 14,630,028	$ 30,980,214

The accompanying notes are an integral part of the financial statements.

Sanitary Landfill Facility Contingency Fund	State Lottery Fund	State Recyclin· Fund	Transportation Benefit Fund	Transportation Fund	Unemployment Compensation Auxiliary Fund	Total Special Revenue Funds
$ --	$ --	$ --	$ 16,024	$ 82,938,234	$ --	$ 1,421,875,251
268	--	214	--	--	8,239,791	33,937,733
--	--	--	--	--	1,079,679	1,676,196
2,225,531	--	1,752,186	--	--	--	3,977,717
--	517,810,709	--	--	--	--	520,311,847
2,225,799	517,810,709	1,752,400	16,024	82,938,234	9,319,470	1,981,778,744
51,432	2,032,659	41,135	--	--	--	40,668,519
--	3,579,474	--	--	--	--	3,579,474
51,432	5,612,133	41,135	--	--	--	44,247,993
2,277,231	523,422,842	1,793,535	16,024	82,938,234	9,319,470	2,026,026,737
--	--	--	--	--	--	20,637,268
--	--	--	--	--	--	1,485,467
--	--	--	--	--	--	969,764,119
--	--	--	--	--	--	2,549,437
--	--	--	--	--	--	40,167,366
--	--	--	--	--	--	417,670,117
--	302,655,068	--	--	--	--	302,655,068
--	302,655,068	--	--	--	--	1,754,928,842
--	220,297,110	--	--	82,938,234	5,415,213	311,732,472
--	--	--	--	--	2,533,607	2,601,679
--	220,297,110	--	--	82,938,234	7,948,820	314,334,151
--	522,952,178	--	--	82,938,234	7,948,820	2,069,262,993
2,277,231	470,664	1,793,535	16,024	--	1,370,650	(43,298,256)
--	1,096,951	--	14,688	--	7,602,542	130,273,494
$ 2,277,231	$ 1,567,615	$ 1,793,535	$ 30,712	$ --	$ 8,973,192	$ 87,039,238

STATE OF NEW JERSEY
CASINO CONTROL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	ACTUAL ON BUDGETARY BASIS	BUDGET (Note 1)	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Licenses and fees	$ 25,697,460	$ --	$ 25,697,460	$ 29,964,865	$ (4,267,405)
Total Revenues	25,697,460	--	25,697,460	29,964,865	(4,267,405)
OTHER INCREASES					
Total Other Increases	--	--	--	--	--
Total Revenues and Other Increases	25,697,460	--	25,697,460	29,964,865	(4,267,405)
EXPENDITURES					
Public safety and criminal justice	18,070,405	(362,160)	17,708,245	18,394,430	686,185
Government direction, management and control	12,571,677	525,084	13,096,761	13,170,865	74,104
Total Expenditures	30,642,082	162,924	30,805,006	31,565,295	760,289
OTHER DECREASES					
Other	68,072	--	68,072	--	(68,072)
Total Other Decreases	68,072	--	68,072	--	(68,072)
Total Expenditures and Other Decreases	30,710,154	162,924	30,873,078	31,565,295	692,217
Net Increase (Decrease) in Fund Balances for the Year	$ (5,012,694)	$ (162,924)	$ (5,175,618)	$ (1,600,430)	$ (3,575,188)

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
CASINO REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	ACTUAL ON BUDGETARY BASIS	BUDGET (Note 1)	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	$ 102,875,313	$ --	$ 102,875,313	$ 104,000,000	$ (1,124,687)
Investment earnings	596,517	--	596,517	--	596,517
Total Revenues	103,471,830	--	103,471,830	104,000,000	(528,170)
OTHER INCREASES					
Total Other Increases	--	--	--	--	--
Total Revenues and Other Increases	103,471,830	--	103,471,830	104,000,000	(528,170)
EXPENDITURES					
Physical and mental health	1,485,467	42,977	1,528,444	1,528,444	--
Community development and environmental management	750,000	--	750,000	750,000	--
Economic planning, development and security	40,167,366	1,027,274	41,194,640	59,587,501	18,392,861
Government direction, management and control	87,318,235	--	87,318,235	92,600,000	5,281,765
Total Expenditures	129,721,068	1,070,251	130,791,319	154,465,945	23,674,626
OTHER DECREASES					
Total Other Decreases	--	--	--	--	--
Total Expenditures and Other Decreases	129,721,068	1,070,251	130,791,319	154,465,945	23,674,626
Net Increase (Decrease) in Fund Balances for the Year	$ (26,249,238)	$ (1,070,251)	$ (27,319,489)	$ (50,465,945)	$ 23,146,456

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
GUBERNATORIAL ELECTIONS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	ACTUAL ON BUDGETARY BASIS	BUDGET (Note 1)	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Other	$ 1,790,199	$ --	$ 1,790,199	$ 1,500,000	$ 290,199
Total Revenues	1,790,199	--	1,790,199	1,500,000	290,199
OTHER INCREASES					
Total Other Increases	--	--	--	--	--
Total Revenues and Other Increases	1,790,199	--	1,790,199	1,500,000	290,199
EXPENDITURES					
Public safety and criminal justice	2,566,863	--	2,566,863	2,638,689	71,826
Total Expenditures	2,566,863	--	2,566,863	2,638,689	71,826
OTHER DECREASES					
Total Other Decreases	--	--	--	--	--
Total Expenditures and Other Decreases	2,566,863	--	2,566,863	2,638,689	71,826
Net Increase (Decrease) in Fund Balances for the Year	$ (776,664)	$ --	$ (776,664)	$ (1,138,689)	$ 362,025

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
PROPERTY TAX RELIEF FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	ACTUAL ON BUDGETARY BASIS	BUDGET (Note 1)	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	$ 1,222,255,697	$ --	$ 1,222,255,697	$ 1,245,000,000	$ (22,744,303)
Total Revenues	1,222,255,697	--	1,222,255,697	1,245,000,000	(22,744,303)
OTHER INCREASES					
Transfers from other funds	36,783,107	--	36,783,107	--	36,783,107
Total Other Increases	36,783,107	--	36,783,107	--	36,783,107
Total Revenues and Other Increases	1,259,038,804	--	1,259,038,804	1,245,000,000	14,038,804
EXPENDITURES					
Educational, cultural and intellectual development	969,764,119	267,441	970,031,560	970,695,601	664,041
Government direction, management and control	317,780,205	(139,880)	317,640,325	319,243,642	1,603,317
Total Expenditures	1,287,544,324	127,561	1,287,671,885	1,289,939,243	2,267,358
OTHER DECREASES					
Total Other Decreases	--	--	--	--	--
Total Expenditures and Other Decreases	1,287,544,324	127,561	1,287,671,885	1,289,939,243	2,267,358
Net Increase (Decrease) in Fund Balances for the Year	$ (28,505,520)	$ (127,561)	$ (28,633,081)	$ (44,939,243)	$ 16,306,162

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
SPECIAL REVENUE FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The National Council on Governmental Accounting in its publication entitled Statement 1 - Governmental Accounting and Financial Reporting Principles defines a fund as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, and limitations. These statements reflect financial reporting practices in accordance with that definition.

Special Revenue Fund:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or for major capital projects) that are legally restricted to expenditure for specified purposes. See the "Description of Funds" for description of the individual Special Revenue Funds included in these statements.

(B) BASIS OF ACCOUNTING

Basis of Accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

Special Revenue Funds are accounted for using the modified accrual basis of accounting. Under this basis of accounting revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance expenditures of the fiscal period. Available means collectible within the current period. Material revenues susceptible to accrual for the Special Revenue Funds include Casino License Fees, Spill Claims, Federal Grants, Interest and Penalties on Employment Taxes, and Lottery Ticket Sales. Income Taxes withheld from employees, but in the hands of employer collecting agents at June 30 and received subsequent to June 30 are also recognized as revenues.

Major revenues not considered to be susceptible to accrual include Gross Income Tax, Casino Gross Receipts Tax and Self-assessed taxes of the Spill Compensation Fund.

Refunds of revenue applicable to June 30 but paid subsequently are recognized as a liability and as a reduction of revenue.

Appropriations are authorized by an act of the Legislature for expenditures during the fiscal year and for a period of one month thereafter. Expenditures are recorded on an accrual basis when the related liability is incurred. Modifications to the accrual basis of accounting include:

(a) Disbursements for prepaid expenses, inventory items, and fixed assets are recorded as expenditure when incurred.

(b) Accumulated unpaid vacation and sick pay are not accrued.

Encumbrances represented by executed and unperformed purchase orders and contracts are recorded and reported as reservations of fund balance since they do not constitute expenditures or liabilities.

(C) REVENUE AND EXPENDITURE BUDGETS

1. Those Special Revenue Funds detailed in the following table operate under a budgetary control system comprised of:

   (a) The Annual Appropriations Act approved June 30, 1981 for fiscal year 1982 and various supplemental appropriation acts approved during the fiscal year.

   (b) Reappropriations (authorized by the Annual Appropriations Act) of prior year funds which are available for expenditure in the current year.

   (c) Appropriated Revenues (authorized by the Annual Appropriations Act) which establish certain revenues as appropriations.

(C) REVENUE AND EXPENDITURE BUDGETS (Continued)

The above items provided the following amounts for the fiscal year 1982 Budget.

	Revenue and Other Increases (Millions)			
	Casino Control Fund	Casino Revenue Fund	Gubernatorial Elections Fund	Property Tax Relief Fund
Annual Appropriations Act	$ 30.0	$ 104.0	$ 1.5	$ 1,245.0
Reappropriations	-	-	-	-
Appropriated Revenue	-	-	-	-
Totals	$ 30.0	$ 104.0	$ 1.5	$ 1,245.0

	Expenditures and Other Decreases (Millions)			
	Casino Control Fund	Casino Revenue Fund	Gubernatorial Elections Fund	Property Tax Relief Fund
Annual Appropriations Act	$ 31.6	$ 154.5	$ -	$ 1,289.9
Reappropriations	-	-	2.6	-
Appropriated Revenue	-	-	-	-
Totals	$ 31.6	$ 154.5	$ 2.6	$ 1,289.9

Budgetary control is maintained at the program unit level.

The accompanying statements of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual - Budgetary Basis presents comparisons of the legally adopted budget with actual data on a budgetary basis.

The State's budgetary basis of accounting differs from that utilized to present financial statements in conformance with generally accepted accounting principles (GAAP). The main difference between the budgetary basis and the GAAP basis is that under the budgetary basis encumbrances are recognized as expenditures.

There were no expenditures in excess of appropriations in the Special Revenue Funds.

2. All other Special Revenue Funds do not operate under an annual budgetary control system but expenditures are authorized by the enabling legislation.

3. The State Lottery Fund operates under an informal budgetary control system approved by the New Jersey State Lottery Commission which for fiscal year 1982 resulted in the Governor's revenue certification of $165 million representing transfers from the State Lottery Fund to the General Fund.

Accordingly there is no Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual - Budgetary Basis for this fund.

(D) FIXED ASSETS

The State owns extensive fixed assets consisting of: (1) land, (2) office buildings, educational facilities, etc., (3) equipment used in data processing, offices, etc. Since Special Revenue Funds are accounted for on a spending or financial flow measurement focus only current assets and current liabilities are included in the balance sheet. Fixed assets are therefore recorded as expenditures at the time of acquisition and are not included as assets of the Special Revenue Funds.

(E) FUND BALANCES

The Fund balance of Special Revenue Funds consists of:

(a) Reserved for encumbrances - used to segregate a portion of fund balance to provide for expenditure upon vendor performance of purchase agreements.

(b) Reserved for non-current resources - used to earmark a portion of the fund balance to indicate it is not a resource currently available for appropriation or expenditure.

(E) FUND BALANCES (Continued)

(c) Unreserved-Designated for subsequent years' expenditures - used to represent that portion of the fund balance available to finance expenditures of the subsequent period.

(d) Unreserved-Undesignated - used to represent that portion of fund balance resources available for appropriation.

(F) OTHER

Other significant accounting practices are described in Notes 2 to 15.

NOTE 2 - CHANGES IN ACCOUNTING POLICY

State Lottery Fund

Obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts were previously recorded as assets and liabilities in the State Lottery Fund at present value.

Beginning in fiscal year 1982, the obligation for payments due beyond one year from the balance sheet date are now recorded at face value in the Long Term Debt Account Group.

The present value of the asset and liability at June 30, 1982 and June 30, 1981 was $33.8 million and $34.5 million respectively.

The projected payments at the above dates are $67.2 million and $69.4 million respectively.

Reclassifications

For the year ended June 30, 1982, the State Disability Benefit Fund and the Unemployment Compensation Fund which were previously included as Special Revenue Funds, were reclassified as Trust and Agency Funds. The Unemployment Auxiliary Fund which was previously included as a Trust and Agency Fund has been reclassified as a Special Revenue Fund.

Spill Compensation Fund

During fiscal year 1981, the New Jersey Spill Compensation Fund accounted for Federal grants as reductions of project expenditures. For the fiscal year ended June 30, 1982, such grants were included as fund revenues.

In addition, for the fiscal year ended June 30, 1982 the tax on hazardous substances has been recorded on a modified accural basis, rather than on the accrual basis as in the prior fiscal year.

NOTE 3 - CASH

Cash transactions of the Casino Control, Casino Revenue, Gubernatorial Elections and Property Tax Relief Funds are made through and by the General Fund cash accounts. The balances of cash for these funds held in the General Fund, after receipt and disbursement transactions, are accounted for and reflected in the respective Due From or Due To accounts on the Balance Sheets. All other Special Revenue Funds maintain individual bank accounts.

Negative book balances of $211.6 thousand representing a managed overdraft have been reclassified and are included in the accounts payable balance.

NOTE 4 - INVESTMENTS

The Casino Control, Casino Revenue, Gubernatorial Elections and Property Tax Relief Funds do not maintain separate investment accounts. Since cash transactions are handled by and through the General Fund as described in Note 2, any available cash balances for these funds reside in the General Fund and are combined with other balances for either participation in the State of New Jersey Cash Management Fund or direct investment as part of the General Fund large scale investment program. Except for the Casino Revenue Fund, investment earnings accrue to the General Fund.

NOTE 4 - INVESTMENTS (Continued)

The following funds participate in the State of New Jersey Cash Management Fund:

Fund	Amount (Millions)
Spill Compensation	$ 20.7
Sanitary Land Fill	2.2
State Lottery	19.8
State Recycling	1.7

The value of the Cash Management Fund as well as the investments of the Unemployment Compensation Auxiliary Fund at the balance sheet date approximate market value.

NOTE 5 - RECEIVABLES

Tax receivables include amounts for Gross Income Tax and Emergency Transportation Tax which were substantially collected within the one-month period subsequent to the fiscal year end.

Taxes and Departmental accounts receivable include amounts which where substantially collected within the one-month period subsequent to June 30. Amounts included in these receivables but not collected within the one-month period subsequent to June 30, are deemed to be collectible and therefore no allowance for doubtful accounts is necessary.

Other receivables are as follows:

New Jersey Spill Compensation Fund - $70 thousand is shown net of an allowance for doubtful accounts of $35.3 million. These are primarily claims and penalties against responsible violators.

State Lottery Fund - $12.0 million represents funds due from banks for ticket sales.

Unemployment Compensation Auxiliary Funds - represents interest on investments and interest and penalties due from employers and is reflected net of allowance for doubtful accounts in the amount of $21.5 million.

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables are referred to respectively as Due from other funds and Due to other funds on the Balance Sheet. A summary of interfund receivables and payables for the Special Revenue Funds at June 30, 1982 is shown below.

	Due From Other Funds (Millions)	Due To Other Funds (Millions)
Cash Management Fund	$ 45.0	$ --
General Fund	32.9	70.8
Totals	$ 77.9	$ 70.8

NOTE 7 - GENERAL FIXED ASSETS

General Fixed Assets are recorded as expenditures at the time of acquisition. This accounting treatment is in conformance with Statement 1 - Governmental Accounting and Financial Reporting Principles which states the primary purposes for a governmental fund accounting (Special Revenue Fund) are to reflect its revenues and expenditures - the sources and uses of its financial resources - and its assets and related liabilities, and net financial resources available for subsequent appropriation and expenditure. General Fixed Assets do not represent financial resources available for expenditure, but are items for which financial resources have been used.

NOTE 8 - ACCOUNTS PAYABLE

Accounts payable balances of $23.8 million as of June 30, 1982 include lottery prize awards ($9.0 million) and amounts due for goods and services ($14.8 million).

NOTE 9 - ADVANCES FROM OTHER FUNDS

The balance of the Gubernatorial Elections Fund's accumulated receipts was not adequate to finance fund expenditures for the primary and general gubernatorial elections. The General Fund advanced the Gubernatorial Elections Fund $5 million in fiscal year 1980 in order to carry out its purpose.

The remainder due at June 30, 1982 is $2.4 million. The current portion of $1.7 million is included as part of Due to other funds, and the non-current portion of $.7 million is reflected as Advances from other funds.

NOTE 10 - OTHER LIABILITIES

Other liabilities of $7.5 million at June 30, 1982 in the Property Tax Relief Fund include revenue refunds payable ($5.3 million) to taxpayers which were liquidated within the one-month period subsequent to fiscal year end. The remaining balance of $2.2 million represents revenue refunds used to pay debts of individuals in connection with the State's Offset of Individual Liability program (SOIL). These amounts were subsequently paid to various State departments in satisfaction of amounts due those departments by the taxpayers.

Other liabilities of $9.3 million for the Transportation Fund represent estimates of tax refunds payable.

NOTE 11 - FUND BALANCES

The beginning fund balance of the New Jersey Spill Compensation Fund has been restated in an amount of $3.3 million to give effect to additional accounts payable which were not recorded as of June 30, 1981.

The deficit fund balance in the Casino Control Fund results from expenditures in excess of revenues. Pursuant to N.J.A.C. 19:41-9.1, a special assessment to the casino industry was made in the amount of $4.2 million and payment is due by December 31, 1982.

The deficit fund balance of $2.4 million in the Gubernatorial Elections Fund is the result of an advance by the General Fund to finance election expenditures. Designated revenues to repay this balance are expected to be realized in fiscal year 1983 ($1.7 million), and thereafter ($.7 million).

NOTE 12 - ACCUMULATED UNPAID SICK AND VACATION BENEFITS

At June 30, 1982, unpaid vacation was not in excess of a normal year's accumulation. Accumulation of unused sick time is accounted for in the General Fund. Annual appropriations are provided and payments made by the General Fund for unused sick leave.

NOTE 13 - REALTY LEASE COMMITMENTS

The State has entered into a lease agreement with Mercer County Improvement Authority whereby the Authority would issue its obligations to finance the cost of purchasing and leasing certain property to the State for use as a tax processing building.

Under the lease agreement, the State has agreed to pay the Authority an annual rental equal to the debt service on the outstanding bonds, plus payments due in lieu of real estate taxes. The lease term coincides with the amortization of the bonds, whereby the last payment is made in 1993. Upon expiration of the lease, the Authority agrees to convey to the State the tax processing building without additional consideration. Total lease obligation for this building, which is subject to yearly appropriations by the State legislature, amounted to approximately $2.7 million as of June 30, 1982. A substantial amount of the annual $266,000 lease payment is charged to the Property Tax Relief Fund.

NOTE 14 - EMPLOYEE BENEFIT COSTS

Fringe benefit costs which include pension, health benefits, payroll taxes, and amounts for unused sick leave are originally paid by the General Fund and charged to the Casino Control and State Lottery Funds using a composite fringe benefit rate.

NOTE 15 - INTEREST

Pursuant to the Annual Appropriations Act, the General Fund charges interest to the Casino Control Fund for disbursements made in excess of receipts collected. The interest rate is equal to the month-end New York Federal Reserve Discount Rate charged to banks. During fiscal year 1982 the interest rate varied from 12% to 14% and the interest charged to the Casino Control Fund amounted to $68,000. For fiscal year 1981 the interest rate charged varied from 10% to 14% and the amount charged for fiscal year 1981 amounted to $267,000.

NOTE 15 - INTEREST (Continued)

Pursuant to P.L. 1981, chapter 26, the Casino Revenue Fund was credited with $596,517, representing investment earnings on funds held and invested by the General Fund.

NOTE 16 - CONTINGENT LIABILITIES

Claims totaling $3.8 million have been filed against the New Jersey Spill Compensation Fund by third parties for damages caused by spills. The ultimate disposition of these claims cannot be determined at this time.

STATE OF NEW JERSEY
SPECIAL REVENUE FUNDS
DESCRIPTION OF FUNDS
YEAR ENDED JUNE 30, 1982

CASINO CONTROL FUND (54:12-143)

The Casino Control Fund is used to account for fees from the issuance and annual renewal of casino licenses. Appropriations are made to fund the operations of the Casino Control Commission and the Division of Gaming Enforcement. The cost of operations to date have been funded by advances from the General Fund.

CASINO REVENUE FUND (54:12-145)

The Casino Revenue Fund is used to account for the tax on gross revenues generated by the casinos. Gross revenue refers to the total of all sums actually received by a licensee from gaming operations, less the total sums paid out as winnings to patrons. Appropriations from this fund must be used for reductions in property taxes, utility charges and other expenses of eligible senior citizens.

GUBERNATORIAL ELECTIONS FUND (54A:9-25.1)

The Gubernatorial Elections Fund is used to account for receipts from the dollar designations on New Jersey Gross Income Tax returns. When indicated by the taxpayer, one dollar of the tax is reserved from gross income tax revenues (Property Tax Relief Fund) and credited to the Gubernatorial Elections Fund. These funds are available for appropriation pursuant to The New Jersey Campaign Contributions and Expenditures Reporting Act, as amended.

NEW JERSEY SPILL COMPENSATION FUND (58:10-23.11i)

The purpose is to account for receipts from taxes and penalties levied upon each owner or operator of a major facility of hazardous substances. The tax is measured by the number of barrels of hazardous substances of the first transfer to the major facility. Payments may be authorized for clean-up costs, removal costs, research, and payments of approved claims.

PROPERTY TAX RELIEF FUND (54A:9-25)

The Property Tax Relief Fund is used to account for revenues from the New Jeresy Gross Income Tax. Revenues realized from the Gross Income Tax are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. Annual appropriations are made from the fund, pursuant to formulae established by the legislature, to counties, municipalities, and school districts.

SANITARY LANDFILL FACILITY CONTINGENCY FUND (P.L. 1981, c.306)

The purpose is to account for receipts from taxes and penalties levied upon each owner or operator of every sanitary landfill facility. The tax is measured on per cubic yard of solids and per gallon of liquids. The fund shall be liable for all direct and indirect damages resulting from the operations or closure of any sanitary landfill.

STATE LOTTERY FUND (5:9-21)

The purpose is to account for moneys from the sale of state lottery tickets or shares. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets or shares and for administrative expenses of the Division of State Lottery. The balance of funds are paid over to the General Fund in support of the amounts annually appropriated for State institutions and for education.

STATE RECYCLING FUND (P.L. 1981, c.278)

The purpose is to account for receipts from taxes and penalties levied upon each owner or operators of a sanitary landfill facility. The tax is measured in per cubic yard of all solid waste accepted for disposal at the facility. Grants are to be made to continue to seek solutions to energy, environmental and economic problems.

TRANSPORTATION BENEFIT FUND (54:8A-106)

Pursuant to P.L. 1976, chapter 126, an agreement was made with the State of Pennsylvania that each state would collect income tax on compensation from their own citizens effective January 1, 1978. Except for miscellaneous tax receipts and refunds to taxpayers of prior years, this fund is considered inactivated.

TRANSPORTATION FUND (54:18A-20)

The purpose is to account for receipts of taxes from the Emergency Transportation Tax Act; such tax is on the income of New Jersey residents derived from sources within a "critical area state" other than New Jersey, and on the income of residents of another "critical area state" derived from sources within New Jersey. The critical area state has been determined by the Commissioner of Transportation to be New York. Each taxpayer subject to the Emergency Transportation Tax Act, is required to compute the tax due the State for both the Emergency Transportation Tax and the New Jersey Gross Income Tax, and to pay the greater tax due, which is deposited and credited herein. The amount applicable to the tax, as calculated for the New Jersey Gross Income Tax, is first allocated and transferred to the Property Tax Relief Fund and reported by the State under the revenues of the Gross Income Tax in the Property Tax Relief Fund of the General Treasury. The funds are to be used for the improvement of transportation and transportation facilities in the critical areas covered by the Act.

UNEMPLOYMENT COMPENSATION AUXILIARY FUND (43:21-14g)

The purpose is to account for amounts collected as penalties and interest assessed against employers who have failed to make payment of contributions required under the Unemployment Compensation Law to the State on a timely basis.

Payments from the fund are authorized for the refund of any interest and/or penalty credited hereto, determined to have been collected or remitted by mistake. The remaining amounts may be expended by legislative appropriations for the administrative costs of the Unemployment Compensation Law and for the costs of programs which generate employment, such as the Work Incentive Program (WIN), authorized training programs, economic development activities, business advocacy functions, etc.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long term debt principal and interest. Resources, provided by the General Fund, are deposited with banks, who serve as paying agents.

LEGISLATIVE SERVICES COMMISSION

CARMEN A. ORECHIO
CHAIRMAN

ROBERT E. LITTELL
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KARL WEIDEL

State of New Jersey

OFFICE OF LEGISLATIVE SERVICES
DIVISION OF STATE AUDITING
STATE HOUSE ANNEX, CN-067
TRENTON, NEW JERSEY 08625
TELEPHONE (609) 292-6430

JAMES J. DOLAN
STATE AUDITOR

December 22, 1982

TO: Honorable Thomas H. Kean
Governor of New Jersey

Honorable Carmen A. Orechio
President of the Senate

Honorable Alan J. Karcher
Speaker of the General Assembly

Mr. Samuel A. Alito
Executive Director
Office of Legislative Services

Gentlemen:

We have examined the balance sheet of the Debt Service Fund of the State of New Jersey as of June 30, 1982 and the related statement of revenues, expenditures, and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statements present fairly the financial position of the Debt Service Fund as of June 30, 1982 and the results of operations and changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

This examination was performed and this report is submitted pursuant to the State Auditor's audit responsibilities as set forth in Article VII, Section 1.6 of the State Constitution, and N.J.S.A. 52:24-4, Legislative Services Law of 1978.

Respectfully submitted,

James J. Dolan

James J. Dolan
State Auditor

STATE OF NEW JERSEY
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 1982 AND JUNE 30, 1981

ASSETS	1982	1981
CASH		
Cash with fiscal agent	$ 5,120,499	$ 4,554,319
OTHER ASSETS		
Due from other funds (Note 2 & 5)	--	17,414,125
Total Assets	$ 5,120,499	$ 21,968,444

LIABILITIES AND FUND BALANCES		
LIABILITIES		
Matured interest payable	$ 4,023,499	$ 3,519,319
Matured bonds payable	1,097,000	1,035,000
Total Liabilities	5,120,499	4,554,319
FUND BALANCES		
Designated for debt service (Note 5)	--	17,414,125
Total Fund Balances	--	17,414,125
Total Liabilities and Fund Balances	$ 5,120,499	$ 21,968,444

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982 AND JUNE 30, 1981

	1982	1981
OTHER INCREASES		
Transfers from other funds	$ 185,628,105	$ 173,188,743
Total Other Increases	185,628,105	173,188,743
EXPENDITURES		
Debt service		
Principal	92,875,000	81,200,000
Interest	110,167,230	88,279,648
Total Expenditures	203,042,230	169,479,648
Net Increase (Decrease) in Fund Balances for the year	(17,414,125)	3,709,095
FUND BALANCES JULY 1	17,414,125	13,705,030
FUND BALANCES JUNE 30	$ --	$ 17,414,125

The accompanying notes are an integral part of the financial statements

STATE OF NEW JERSEY
DEBT SERVICE FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The National Council on Governmental Accounting in its publication entitled Statement 1 - Governmental Accounting and Financial Reporting Principles defines a fund as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. These statements reflect financial reporting practices in accordance with that definition.

Debt Service Fund:

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Resources, provided by the General Fund, are deposited with banks, who serve as paying agents.

(B) BASIS OF ACCOUNTING

The accounting policies of the Debt Service Fund follows a modified accrual basis. Under this basis, revenues are recorded as received in cash except for those revenues susceptible to accrual.

Expenditures for principal and interest on general obligation long-term debt are recognized as expenditures when paid by the fiscal agent.

(C) REPORTING ENTITY

These statements represent the debt service for State of New Jersey general obligation bonds and do not include the debt service of authorities and public corporations which do not require resources of the General Fund.

(D) OTHER

Other significant accounting policies are described in Notes 2 through 5.

NOTE 2 - INTERFUND RECEIVABLES

Interfund receivables are referred to as Due from other funds on the balance sheet. The $17.4 million at June 30, 1981 represents the amount due from the General Fund.

NOTE 3 - PROJECTION OF INTEREST AND PRINCIPAL TO MATURITY

A summary of debt service requirements to be provided by the General Fund on outstanding bonds as of June 30, 1982 to maturity is as follows:

Fiscal Year	Interest	Principal
1983	$ 131,333,871	$ 107,590,000
1984	124,893,226	115,595,000
1985	117,529,322	116,750,000
1986	110,181,807	118,255,000
1987	102,999,907	116,510,000
1988-1992	405,319,844	558,245,000
1993-1997	231,310,447	496,500,000
1998-2002	83,981,857	346,100,000
2003-2006	5,617,407	58,900,000
	$ 1,313,167,688	$ 2,034,445,000

NOTE 4 - DEBT SERVICE ACCOUNTS

The accounts which comprise this fund are from the following bond authorizations:

Beaches and Harbors (1977)
Clean Waters (1976)
Emergency Flood Control (1978)
Energy Conservation (1980)
Farmland Preservation (1981)
Hazardous Discharge (1981)
Higher Education Construction (1971)
Highway Improvement (1930)
Institutional Construction (1978)
Institutions Construction (1976)
Medical Education Facilities (1977)
Natural Resources (1980)
New Jersey Institutions Construction (1964)
Public Building Construction (1968)
Public Purpose Building Construction (1980)
State Facilities for Handicapped (1973)
State Higher Education (1959)
State Higher Education Construction (1964)
State Housing Assistance (1968)
State Institution Construction (1960)
State Land Acquisition and Development (1978)
State Mortgage Assistance (1976)
State Recreation and Conservation Land Acquisition (1961)

NOTE 4 - DEBT SERVICE ACCOUNTS (Continued)

State Recreation and Conservation Land Acquisition (1971)
State Recreation and Conservation Land Acquisition and Development (1974)
State Transportation (1968)
Transportation Rehabilitation and Improvement (1979)
Water Conservation (1969)
Water Development (1958)
Water Supply (1981)

NOTE 5 - APPROPRIATIONS

Debt Service payments due July 1, 1981 were appropriated as part of the fiscal year 1982 Appropriations Act. This resulted in a Fund Balance as of June 30, 1981, in the amount of $17,414,125 consisting of $7,000,000 for Principal and $10,414,125 for interest.

Debt Service payments due July 1, 1982 were appropriated as part of the fiscal year 1983 Appropriations Act and, therefore, there was no corresponding amount available in the Debt Service Fund as of June 30, 1982.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for State use. Funds granted to other units of government for capital facilities are not classified as Capital Projects Funds and are included as expenditures of trust or agency funds.

LEGISLATIVE SERVICES COMMISSION

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JAMES J. DOLAN
STATE AUDITOR

December 22, 1982

TO: Honorable Thomas H. Kean
Governor of New Jersey

Honorable Carmen A. Orechio
President of the Senate

Honorable Alan J. Karcher
Speaker of the General Assembly

Mr. Samuel A. Alito
Executive Director
Office of Legislative Services

Gentlemen:

We have examined the combining balance sheet of the Capital Projects Funds as of June 30, 1982 and the related combining statement of revenues, expenditures, and changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as noted in the following paragraphs.

Our examination was limited to those funds reported by the State Treasurer as Capital Projects Funds. Our review did not include those funds, if any, which may also be capital projects funds, but which in accordance with New Jersey accounting policy were reported in other fund classifications.

The financial statements presented are for the Capital Projects Funds only and are not intended to present fairly the financial position of the State of New Jersey at June 30, 1982, or results of operations for the year then ended in conformity with generally accepted accounting principles. The attached statements do not report on the General Fund, Special Revenue Funds, Debt Service Fund, and General Long-Term Debt Account Group on which the State Auditor renders opinions. Also not included in these statements are the Trust and Agency Funds and Fixed Asset Accou Group which have not been examined by the State Auditor.

During Fiscal Year 1982, the State changed its accounting policy in that the Transportation Rehabilitation and Improvement Fund of 1979 has been reclassified and included as a Capital Projects Fund. This change, with which we concur, is more fully explained in Note No. 2.

In our opinion, except for the effect on consistency of the changes in accounting and reporting practices and the limitation of testing set forth in the preceding paragraphs, the accompanying statements present fairly the financial position of the Capital Projects Funds as of June 30, 1982, and the results of operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The examination was performed and this report is submitted pursuant to the State Auditor's audit responsibilities as set forth in Article VII, Section 1.6 of the State Constitution, and N.J.S.A. 52:24-4, Legislative Services Law of 1978.

Respectfully submitted,

James J. Dolan

James J. Dolan
State Auditor

STATE OF NEW JERSEY
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1982

	Energy Conservation Fund	Higher Education Buildings Construction Fund	Institutional Construction Fund	Institutions Construction Fund
ASSETS				
CASH				
Demand accounts	$ 57,367	$ 67	$ --	$ --
RECEIVABLES				
Federal government (Note 3)	--	--	--	--
OTHER ASSETS				
Due from other funds (Note 4)	9,820,625	3,090,979	12,366,477	6,362,104
Total Assets	$ 9,877,992	$ 3,091,046	$ 12,866,477	$ 6,362,104
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 32,233	$ 1,245	$ 3,391,905	$ 605,797
Due to other funds (Note 6)	1,463,194	426,365	1,032,042	700,802
Total Liabilities	1,495,427	427,610	4,423,947	1,306,599
FUND BALANCES				
Reserved for encumbrances	387,161	122,521	13,109,739	5,507,179
Unreserved				
Designated for subsequent years' expenditures (Note 7)	5,006,420	2,540,915	8,332,791	5,548,326
Undesignated (Note 7)	2,988,984	--	(13,000,000)	(6,000,000)
Total Fund Balances	8,382,565	2,663,436	8,442,530	5,055,505
Total Liabilities and Fund Balances	$ 9,877,992	$ 3,091,046	$ 12,866,477	$ 6,362,104

The accompanying notes are an integral part of the financial statements.

Public Buildings Construction Fund	Public Purpose Buildings Construction Fund	State Facilities for Handicapped Fund	State 1964 Institution Construction Fund	Transportation Rehabilitation and Improvement Fund	State Transportation Fund	Total Capital Projects Funds
$ --	$ 301,873	$ --	$ 112	$ --	$ --	$ 259,419
--	--	--	--	10,985,000	2,063,000	13,048,000
3,037,360	16,665,609	12,744,310	30,725	64,580,248	23,859,118	153,057,555
$ 3,037,360	$ 16,867,482	$ 12,744,310	$ 30,837	$ 75,565,248	$ 25,922,118	$ 166,364,974
$ 63,002	$ 2,263,639	$ 730,839	$ 22,957	$ 32,625,184	$ 6,179,948	$ 35,916,749
596,047	2,069,961	--	5,725	5,941,916	3,740,320	15,970,172
659,049	4,333,600	730,839	28,682	38,567,100	9,920,268	51,893,121
1,549,707	24,111,126	7,213,702	521	90,610,000	8,675,000	151,286,656
828,604	89,401,999	4,799,769	1,634	256,888,148	7,326,850	380,675,456
--	(100,979,243)	--	--	(300,500,000)	--	(417,490,259)
2,378,311	12,533,882	12,013,471	2,155	46,998,148	16,001,850	114,471,853
$ 3,037,360	$ 16,867,482	$ 12,744,310	$ 30,837	$ 75,565,248	$ 25,922,118	$ 166,364,974

STATE OF NEW JERSEY
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	Energy Conservation Fund	Higher Education Buildings Construction Fund	Institutional Construction Fund	Institutions Construction Fund
REVENUES				
Federal and other grants	$ 5,070	$ --	$ --	$ --
Other	--	--	145,608	63,896
Total Revenues	5,070	--	145,608	63,896
OTHER INCREASES				
Transfers from other funds (Note 4)	1,463,194	426,365	886,435	636,906
Proceeds from sale of bonds	--	--	52,000,000	18,000,000
Total Other Increases	1,463,194	426,365	52,886,435	18,636,906
Total Revenues and Other Increases	1,468,264	426,365	53,032,043	18,700,802
EXPENDITURES				
Educational, cultural and intellectual development	--	135,714	2,911,734	8,254,039
Community development and environmental management	1,622,505	--	40,965,834	6,025,300
Transportation services	--	--	--	--
Total Expenditures	1,622,505	135,714	43,877,568	14,279,339
OTHER DECREASES				
Transfers to other funds	1,463,194	426,365	1,032,042	700,802
Total Other Decreases	1,463,194	426,365	1,032,042	700,802
Total Expenditures and Other Decreases	3,085,699	562,079	44,909,610	14,980,141
Net Increase (Decrease) in Fund Balances for the Year	(1,617,435)	(135,714)	8,122,433	3,720,661
FUND BALANCES - JULY 1, 1981	10,000,000	2,799,150	320,097	1,334,844
FUND BALANCES - JUNE 30, 1982	$ 8,382,565	$ 2,663,436	$ 8,442,530	$ 5,055,505

The accompanying notes are an integral part of the financial statements.

Public Buildings Construction Fund	Public Purpose Buildings Construction Fund	State Facilities For Handicapped Fund	State 1964 Institutions Construction Fund	Transportation Rehabilitation and Improvement Fund of 1979	State Transportation Fund	Total Capital Projects Funds
$ --	$ 800,000	$ --	$ --	$ 79,175,608	$ 55,637,361	$ 135,618,039
--	16,702	--	--	280,011	1,106	507,323
--	816,702	--	--	79,455,619	55,638,467	136,125,362
596,047	2,053,259	2,271,180	5,725	5,661,905	3,739,214	17,740,230
--	15,000,000	--	--	95,000,000	--	180,000,000
596,047	17,053,259	2,271,180	5,725	100,661,905	3,739,214	197,740,230
596,047	17,869,961	2,271,180	5,725	180,117,524	59,377,681	333,865,592
--	--	9,253,877	--	--	--	20,555,364
2,226,761	18,202,082	--	65,989	--	--	69,108,471
--	--	--	--	144,446,827	60,600,630	205,047,457
2,226,761	18,202,082	9,253,877	65,989	144,446,827	60,600,630	294,711,292
596,047	2,069,962	--	5,725	5,941,936	3,740,320	15,976,373
596,047	2,069,962	--	5,725	5,941,916	3,740,320	15,976,373
2,822,808	20,272,044	9,253,877	71,714	150,388,743	64,340,950	310,687,665
(2,226,761)	(2,402,083)	(6,982,697)	(65,989)	29,728,781	(4,963,269)	23,177,927
4,605,072	14,935,965	18,996,168	68,144	17,269,367	20,965,119	91,293,926
$ 2,378,311	$ 12,533,882	$ 12,013,471	$ 2,155	$ 46,998,148	$ 16,001,850	$ 114,471,853

STATE OF NEW JERSEY
CAPITAL PROJECTS FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The National Council on Governmental Accounting in its publication entitled Statement 1 - Governmental Accounting and Financial Reporting Principles defines a fund as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives or in accordance with special regulations, restrictions, or limitations. These statements reflect financial reporting practices in accordance with that definition.

Capital Projects Funds:

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for State use. Funds granted to other units of government for capital facilities are not classified as Capital Projects Funds and are included as expenditures of trust and agency funds. See the "Description of Funds" for description of the individual Capital Projects Funds included in these statements.

(B) BASIS OF ACCOUNTING

The accounting policies of the Capital Projects Funds follow a modified accrual basis. Under this basis, revenues are recorded as received in cash except for:

(a) Those revenues susceptible to accrual (measurable, available and material).

(b) The accrual of material revenue received subsequent to the due date.

Expenditures are recorded on an accural basis except for disbursements for prepaid expenses, inventory items and fixed assets, all of which are considered expenditures at the time of purchase. Encumbrances are recorded up through July 31, 1982 and those outstanding at year end represent the estimated expenditure to result on unperformed contracts for goods or services, which are reported as a reserve for encumbrances in the Fund Balance section of the Balance Sheet.

(C) FUND BALANCES

The fund balance of Capital Projects Funds consists of:

(a) Reserved for encumbrances used to segregate a portion of fund balance to provide for expenditure upon vendor performance of purchase agreements.

(b) Unreserved-Designated for subsequent years' expenditures used to represent that portion of the fund balance available to finance expenditures of subsequent period.

(c) Unreserved-Undesignated used to represent that portion of fund balance resources available for appropriation.

NOTE 2 - CHANGE IN ACCOUNTING POLICY

The Transportation Rehabilitation and Improvement Fund - 1979, which was previously included among trust and agency funds, has been reclassified and is included as a Capital Projects Fund.

NOTE 3 - DUE FROM FEDERAL GOVERNMENT

Amounts due from the Federal government includes $3.2 million of earned but unbilled reimbursements.

NOTE 4 - DUE FROM OTHER FUNDS

Substantially this account reflects the Captial Projects Funds' participation in the New Jersey Cash Management Fund wherein amounts also contributed by other funds and local governments are combined into a large scale investment program. The value of the Cash Management Fund at the balance sheet date approximates market value.

NOTE 5 - UNISSUED BONDS

The various Bond Acts related to Capital Projects Funds have authorized the sale of State general obligation bonds in the amount of $2,071.5 million to June 30, 1982. Of that amount $2,000.5 million have been appropriated and $1,583.0 million have been issued and sold.

NOTE 6 - DUE TO OTHER FUNDS

Amounts in this account principally represent investment earnings of Capital Projects Funds which are payable to the General Fund.

NOTE 7 - FUND BALANCES

Included in the Designated Fund Balance is an amount of $800,000 representing an advance by the County of Hudson, for the future construction of county correctional facilities.

Negative Undesignated Fund Balances of certain Capital Projects Funds result from legislated acts appropriating amounts from a designated fund prior to the sale of bonds. Such legislated acts permit the financial recording of contractual obligations up to the total amount authorized by each respective act.

STATE OF NEW JERSEY
CAPITAL PROJECTS FUNDS
DESCRIPTION OF FUNDS
YEAR ENDED JUNE 30, 1982

ENERGY CONSERVATION FUND (P.L. 1980, c.68)

An amount of $50,000,000 was authorized, of which $3,000,000 is for energy audits and $47,000,000 is for energy-saving renovations to educational facilities, institutions, and public buildings of the State.

HIGHER EDUCATION BUILDINGS CONSTRUCTION FUND (P.L. 1971, c.164)

An amount of $155,000,000 was authorized for the purposes of acquisition, construction, reconstruction, development, improvement, and equipment for state institutions of higher education and for county colleges.

INSTITUTIONAL CONSTRUCTION FUND (P.L. 1978, c.79)

An amount of $100,000,000 was authorized to construct or rehabilitate facilities for the mentally retarded in concert with the federal program for Intermediate Care Facilities/Mentally Retarded (ICF/MR) and the construction or rehabilitation of mental health and correctional facilities. In addition, funds are also available for a library for the blind and handicapped and a forensic laboratory for the State Medical Examiner.

INSTITUTIONS CONSTRUCTION FUND (P.L. 1976, c.93)

An amount of $80,000,000 was authorized to provide safe and humane facilities at institutions for the mentally ill, mentally retarded, and incarcerated through construction of new facilities or rehabilitation and improvement of existing facilities.

PUBLIC BUILDINGS CONSTRUCTION FUND (P.L. 1968, c.128)

An amount of $337,500,000 was authorized for construction, reconstruction, development, extension, and equipping of public buildings for state institutions; higher education, including state and county colleges; vocational education, and for a statewide television and radio network.

PUBLIC PURPOSE BUILDINGS CONSTRUCTION FUND (P.L. 1980, c.119)

An amount of $159,000,000 was authorized for construction of public purpose buildings, including $50,000,000 for facilities for the mentally retarded, $67,000,000 for correctional facilities $7,000,000 for a veterans' long-term care facility, $3,500,000 for facilities for children in need of supervision, and $21,500,000 for facilities for the mentally ill.

$10,000,000 of the proceeds of the sale of bonds was authorized to be segregated and held aside for a Long-Term Care Facilities Loan Guarantee.

STATE FACILITIES FOR HANDICAPPED FUND (P.L. 1973, c.149)

An amount of $25,000,000 was authorized for expansion and renovation of the Marie H. Katzenbach School for the Deaf and for the planning, acquisition, improvements, and construction of regional day-school facilities to educate children with severe handicaps.

STATE 1964 INSTITUTION CONSTRUCTION FUND (P.L. 1964, c.144)

An amount of $50,000,000 was authorized for construction of or renovations to state mental, charitable, hospital, relief, training, and correctional institutional buildings.

TRANSPORTATION REHABILITATION AND IMPROVEMENT FUND OF 1979 (P.L. 1979, c.165)

An amount of $475,000,000 was authorized for the purpose of providing an improved transportation system for the State. Of this amount, $150,000,000 was reserved for the improvement of public transportation facilities; $80,000,000 was reserved for the improvement of county and municipal roads and $245,000,000 was reserved for the improvement of State highways. The proceeds from the sale of such bonds shall not be used to purchase or acquire bus companies.

STATE TRANSPORTATION FUND (P.L. 1968, c.126)

An amount of $640,000,000 was authorized for the purpose of improving the public transportation system for the State. Of the amount, $200,000,000 was reserved for mass transportation facilities; the balance was reserved for the improvement of state highways.

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1982

	Beaches and Harbor Fund	Boarding House Rental Assistance Fund	Clean Waters Fund
ASSETS			
CASH			
Demand accounts	$ 1,361	$ --	$ 3,812
INVESTMENTS AT BOOK VALUE	--	--	--
RECEIVABLES			
Federal government	--	--	--
Loans	--	--	--
Other	--	--	--
OTHER ASSETS			
Due from other funds	9,469,299	1,013,788	15,439,651
Total Assets	$ 9,470,660	$ 1,013,788	$ 15,443,463
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 71,187	$ --	$ 1,080,534
Due to other funds	1,358,705	--	3,095,247
Other	--	--	--
Total Liabilities	1,429,892	--	4,175,781
FUND BALANCES			
Reserved for encumbrances	896,231	--	6,992,275
Reserved for non-current resources	--	--	--
Unreserved			
Designated for subsequent years' expenditures	24,156,561	--	18,252,230
Undesignated	(17,012,024)	1,013,788	(13,976,823)
Total Fund Balances	8,040,768	1,013,788	11,267,682
Total Liabilities and Fund Balances	$ 9,470,660	$ 1,013,788	$ 15,443,463

Common Pension Fund "A"	Common Pension Fund "B"	Disability Benefit Liability Fund	Emergency Flood Control Fund	Emergency Services Fund	General Trust Fund
$ --	$ 3,594	$ 162,024	$ 676	$ 137	$ 4,301
1,730,377,019	2,640,267,102	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
74,012,652	34,363,343	1,587,037	7,828,316	1,912,703	--
$ 1,804,389,671	$ 2,674,634,039	$ 1,749,061	$ 7,828,992	$ 1,912,840	$ 4,301
$ 803,320	$ --	$ --	$ 147,697	$ --	$ 4,301
--	--	1,171,043	1,105,312	--	--
1,803,586,351	2,674,634,039	--	--	--	--
1,804,389,671	2,674,634,039	1,171,043	1,253,009	--	4,301
--	--	--	3,874,427	--	--
--	--	--	--	--	--
--	--	--	17,686,556	--	--
--	--	578,018	(14,985,000)	1,912,840	--
--	--	578,018	6,575,983	1,912,840	--
$ 1,804,389,671	$ 2,674,634,039	$ 1,749,061	$ 7,828,992	$ 1,912,840	$ 4,301

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET (Continued)
JUNE 30, 1982

	Hazardous Discharge Fund	Higher Education Assistance Fund	Housing Assistance Fund
ASSETS			
CASH			
Demand accounts	$ --	$ --	$ 1,186
INVESTMENTS AT BOOK VALUE	--	--	--
RECEIVABLES			
Federal government	--	8,448,816	--
Loans	--	11,438,688	12,473,246
Other	--	--	--
OTHER ASSETS			
Due from other funds	--	13,651,360	22,030
Total Assets	$ --	$ 33,538,864	$ 12,496,462
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ --	$ 1,216,592	$ --
Due to other funds	--	1,556,745	3,030
Other	--	7,518,744	--
Total Liabilities	--	10,292,081	3,030
FUND BALANCES			
Reserved for encumbrances	--	--	--
Reserved for non-current resources	--	11,438,686	--
Unreserved			
Designated for subsequent years' expenditures	33,000,000	--	20,186
Undesignated	(33,000,000)	11,808,095	12,473,246
Total Fund Balances	--	23,246,781	12,493,432
Total Liabilities and Fund Balances	$ --	$ 33,538,864	$ 12,496,462

Luxury Tax Fund	Medical Education Facilities Fund	Mortgage Assistance Fund	Motor Vehicle Liability Security Fund	Motor Vehicle Security Responsibility Fund	Mutual Workers' Compensation Security Fund
$ 574,105	$ 3,094,595	$ --	$ 7,859	$ 14,803	$ --
--	10,000,000	--	1,454,908	--	5,695,155
--	--	--	--	--	--
--	--	5,634,665	--	--	--
--	--	--	176,609	--	2,390,215
1,981,725	--	1,512,774	7,217,603	420,270	345,802
$ 2,555,830	$ 13,094,595	$ 7,147,439	$ 8,856,979	$ 435,073	$ 8,431,172
$ --	$ --	$ 85,917	$ 178,139	$ 371,959	$ 15,530
--	604,992	431,795	--	63,114	--
--	--	--	--	--	--
--	604,992	517,712	178,139	435,073	15,530
--	11,580,639	385,701	--	--	2,306,240
--	--	--	--	--	--
--	902,611	7,686,124	--	--	--
2,555,830	6,353	(1,442,098)	8,678,840	--	6,109,402
2,555,830	12,489,603	6,629,727	8,678,840	--	8,415,642
$ 2,555,830	$ 13,094,595	$ 7,147,439	$ 8,856,979	$ 435,073	$ 8,431,172

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET (Continued)
JUNE 30, 1982

	Natural Resources Fund	New Home Warranty Security Fund	NJ Federal-State Rural Rehabilitation Fund
ASSETS			
CASH			
Demand accounts	$ 2,540	$ --	$ 6,561
INVESTMENTS AT BOOK VALUE	--	--	--
RECEIVABLES			
Federal government	--	--	--
Loans	--	--	74,676
Other	--	--	--
OTHER ASSETS			
Due from other funds	15,444,314	4,867,951	386,005
Total Assets	$ 15,446,854	$ 4,867,951	$ 467,242
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 1,547,699	$ 13,461	$ --
Due to other funds	2,551,450	906,451	--
Other	--	--	--
Total Liabilities	4,099,149	919,912	--
FUND BALANCES			
Reserved for encumbrances	17,754,741	--	(1,150)
Reserved for non-current resources	--	--	74,676
Unreserved			
Designated for subsequent years' expenditures	19,742,494	--	1,150
Undesignated	(26,149,530)	3,948,039	392,566
Total Fund Balances	11,347,705	3,948,039	467,242
Total Liabilities and Fund Balances	$ 15,446,854	$ 4,867,951	$ 467,242

New Jersey Insurance Development Fund	Real Estate Guaranty Fund	Rutgers Medical School-Restricted Fund	School Building Aid Capital Reserve Fund	School Fund	State Disability Benefit Fund
$ --	$ --	$ 167	$ 437	$ 158,261	$ 78,991
--	--	1,967,214	--	34,802,613	64,170,643
--	--	--	--	--	--
--	--	--	--	--	--
--	--	11,042	--	585,725	2,849,663
5,686,378	861,253	1,052,662	3,557,820	6,497,210	66,730,913
$ 5,686,378	$ 861,253	$ 3,031,085	$ 3,558,257	$ 42,043,809	$ 133,830,210
$ 22,951	$ 18,206	$ --	$ 3,558,257	$ 31,770	$ 4,812,195
--	--	--	--	3,183,404	2,123,543
--	--	--	--	523,605	--
22,951	18,206	--	3,558,257	3,738,779	6,935,738
--	(17,758)	--	--	--	(214,181)
--	--	--	--	15,953,002	--
--	--	--	--	--	214,181
5,663,427	860,805	3,031,085	--	22,352,028	126,894,472
5,663,427	843,047	3,031,085	--	38,305,030	126,894,472
$ 5,686,378	$ 861,253	$ 3,031,085	$ 3,558,257	$ 42,043,809	$ 133,830,210

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET (Continued)
JUNE 30, 1982

	State Land Acquisition and Development Fund	State of New Jersey Cash Management Fund	State of New Jersey-Tischler Memorial Fund
ASSETS			
CASH			
Demand accounts	$ --	$ 36,068,814	$ 8,627
INVESTMENTS AT BOOK VALUE	--	1,805,816,606	341,205
RECEIVABLES			
Federal government	2,804,702	--	--
Loans	--	--	--
Other	--	12,201,503	9,236
OTHER ASSETS			
Due from other funds	48,906,298	--	179,769
Total Assets	$ 51,711,000	$ 1,854,086,923	$ 538,837
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 2,283,605	$ --	$ --
Due to other funds	2,770,862	1,023,878,476	--
Other	--	829,197,341	--
Total Liabilities	5,054,467	1,853,075,817	--
FUND BALANCES			
Reserved for encumbrances	37,290,402	--	--
Reserved for non-current resources	--	--	535,455
Unreserved			
Designated for subsequent years' expenditures	129,174,869	--	3,382
Undesignated	(119,808,738)	1,011,106	--
Total Fund Balances	46,656,533	1,011,106	538,837
Total Liabilities and Fund Balances	$ 51,711,000	$ 1,854,086,923	$ 538,837

State Recreation and Conservation Land Acquisition Fund 1971	State Recreation and Conservation Land Acquisition and Development Fund	State Water Development Fund	Stock Workers' Compensation Security Fund	Unclaimed Bank Deposits Escheat Reserve Fund
$ --	$ --	$ 189	$ 3,378	$ --
--	--	--	21,133,707	--
(5,312)	2,372,116	--	--	--
--	--	--	--	--
--	--	--	452,795	--
4,836,015	31,413,985	1,017,773	16,564,491	6,342,300
$ 4,830,703	$ 33,786,101	$ 1,017,962	$ 38,154,371	$ 6,342,300
$ 223,024	$ 4,877,205	$ 7,521	$ --	$ 1,310
673,627	2,177,278	146,179	--	1,739,432
--	--	--	--	--
896,651	7,054,483	153,700	--	1,740,742
2,203,653	26,603,449	95,397	15,988	--
--	--	--	--	--
1,630,399	15,539,919	768,865	--	--
--	(15,411,750)	--	38,138,383	4,601,558
3,834,052	26,731,618	864,262	38,154,371	4,601,558
$ 4,830,703	$ 33,786,101	$ 1,017,962	$ 38,154,371	$ 6,342,300

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET (Continued)
JUNE 30, 1982

	Unclaimed Domestic Life Insurance Escheat Reserve Fund	Unclaimed Personal Property Trust Fund	Unemployment Benefits Liability Fund
ASSETS			
CASH			
Demand accounts	$ 3,376	$ 47,362	$ 1,889,367
INVESTMENTS AT BOOK VALUE	--	--	--
RECEIVABLES			
Federal government	--	--	--
Loans	--	1,294,700	--
Other	--	--	--
OTHER ASSETS			
Due from other funds	1,381,043	8,578,904	2,818,220
Total Assets	$ 1,384,419	$ 9,920,966	$ 4,707,587
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ --	$ --	$ --
Due to other funds	506,688	1,912,568	2,762,184
Other	--	--	--
Total Liabilities	506,688	1,912,568	2,762,184
FUND BALANCES			
Reserved for encumbrances	--	--	--
Reserved for non-current resources	--	1,294,700	--
Unreserved			
Designated for subsequent years' expenditures	--	--	--
Undesignated	877,731	6,713,698	1,945,403
Total Fund Balances	877,731	8,008,398	1,945,403
Total Liabilities and Fund Balances	$ 1,384,419	$ 9,920,966	$ 4,707,587

Unemployment Compensation Fund	University of Medicine and Dentistry of New Jersey Construction Grant Fund	University of Medicine and Dentistry of New Jersey Endowment Fund	University of Medicine and Dentistry of New Jersey Endowment Fund "B"	University of Medicine and Dentistry of New Jersey Grant Fund	University of Medicine and Dentistry of New Jersey Grant Fund "B"
$ 3,580,750	$ 1,205	$ 1,800	$ --	$ 7,652	$ 3,858
--	566,902	169,145	5,614,746	296,131	1,000,489
--	--	--	--	--	--
--	--	--	--	--	--
107,797,306	--	4,600	27,330	3,788	11,042
2,762,187	871,303	121,785	459,088	73,113	471,323
$ 114,140,243	$ 1,439,410	$ 297,330	$ 6,101,164	$ 380,684	$ 1,486,712
$ 539,465,173	$ --	$ --	$ 16,309	$ --	$ --
--	--	--	--	--	--
--	--	--	--	--	--
539,465,173	--	--	16,309	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
(425,324,930)	1,439,410	297,330	6,084,855	380,684	1,486,712
(425,324,930)	1,439,410	297,330	6,084,855	380,684	1,486,712
$ 114,140,243	$ 1,439,410	$ 297,330	$ 6,101,164	$ 380,684	$ 1,486,712

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET (Continued)
JUNE 30, 1982

	University of Medicine and Dentistry of New Jersey Self Insurance Reserve Fund	Unsatisfied Claim and Judgment Fund
ASSETS		
CASH		
Demand accounts	$ 68	$ --
INVESTMENTS AT BOOK VALUE	6,388,545	16,162,409
RECEIVABLES		
Federal government	--	--
Loans	--	--
Other	127,629	10,145,796
OTHER ASSETS		
Due from other funds	2,593,848	17,445,519
Total Assets	$ 9,110,090	$ 43,753,724
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	$ --	$ 786,075
Due to other funds	--	617,732
Other	--	--
Total Liabilities	--	1,403,807
FUND BALANCES		
Reserved for encumbrances	--	--
Reserved for non-current resources	--	--
Unreserved		
Designated for subsequent years' expenditures	--	--
Undesignated	9,110,090	42,349,917
Total Fund Balances	9,110,090	42,349,917
Total Liabilities and Fund Balances	$ 9,110,090	$ 43,753,724

Veterans' Guaranteed Loan Fund	Water Conservation Fund	Water Supply Fund	Outstanding Checks Account	Total Trust and Agency Funds
$ 6,817	$ --	$ --	--	$ 45,738,673
--	--	--	--	6,346,224,539
--	--	--	--	13,620,322
--	8,509,222	--	--	39,425,197
--	--	--	--	136,794,279
74,709	14,977,962	3,068,362	5,552,398	446,373,254
$ 81,526	$ 23,487,184	$ 3,068,362	$ 5,552,198	$ 7,028,176,264
$ --	$ 2,321,602	$ --	$ 5,079,470	$ 569,141,009
--	3,528,634	68,362	472,928	1,059,409,781
--	--	--	--	5,315,460,080
--	5,850,236	68,352	5,552,398	6,944,010,870
--	18,623,890	--	--	128,389,944
--	8,509,222	--	--	37,805,743
--	40,503,836	4,591	--	309,287,954
81,526	(50,000,000)	2,995,409	--	(391,318,247)
81,526	17,636,948	3,000,000	--	84,165,394
$ 81,526	$ 23,487,184	$ 3,068,362	$ 5,552,398	$ 7,028,176,264

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	Beaches and Harbor Fund	Boarding House Rental Assistance Fund	Clean Waters Fund
REVENUES			
Taxes	$ --	$ --	$ --
Federal and other grants	--	1,000,000	--
Licenses and fees	--	--	--
Services and assessments	--	--	--
Investment earnings	--	--	--
Other	765,473	--	10,000
Total Revenues	765,473	1,000,000	10,000
OTHER INCREASES			
Transfers from other funds	1,358,705	13,788	3,085,247
Proceeds from the sale of bonds	--	--	--
Other	--	--	--
Total Other Increases	1,358,705	13,788	3,085,247
Total Revenues and Other Increases	2,124,178	1,013,788	3,095,247
EXPENDITURES			
Public safety and criminal justice	--	--	--
Educational, cultural and intellectual development	--	--	--
Community development and environmental management	2,681,477	--	14,021,121
Economic development and income protection	--	--	--
Transportation services	--	--	--
Government direction, management and control	--	--	--
Total Expenditures	2,681,477	--	14,021,121
OTHER DECREASES			
Transfers to other funds	1,358,705	--	3,095,247
Other	--	--	--
Total Other Decreases	1,358,705	--	3,095,247
Total Expenditures and Other Decreases	4,040,182	--	17,116,368
Net Increase (Decrease) in Fund Balances for the Year	(1,916,004)	1,013,788	(14,021,121)
FUND BALANCES - JULY 1, 1981	9,956,772	--	25,288,803
FUND BALANCES - JUNE 30, 1982	$ 8,040,768	$ 1,013,788	$ 11,267,682

Common Pension Fund "A"	Common Pension Fund "B"	Disability Benefit Liability Fund	Emergency Flood Control Fund	Emergency Services Fund	Higher Education Assistance Fund
$ --	$ --	$ 2,944,928	$ --	$ --	$ --
--	--	1,360,136	--	300,000	2,955,601
--	--	--	--	--	3,772,865
--	--	72,678	--	--	--
113,694,725	223,167,831	--	--	--	--
--	--	--	--	--	824,218
113,694,725	223,167,831	4,377,742	--	300,000	7,552,684
5,455,493	8,427,429	166,699	1,105,312	1,008,947	1,651,328
--	--	--	--	--	--
--	--	--	--	--	335,214
5,455,493	8,427,429	166,699	1,105,312	1,008,947	1,986,542
119,150,218	231,595,260	4,544,441	1,105,312	1,308,947	9,539,226
--	--	--	--	--	--
--	--	--	--	--	2,039,156
--	--	--	907,481	--	--
119,150,218	231,595,260	--	--	--	--
--	--	--	--	--	--
--	--	--	--	259,421	--
119,150,218	231,595,260	--	907,481	259,421	2,039,156
--	--	4,302,217	1,105,312	--	1,556,745
--	--	--	--	--	403,593
--	--	4,302,217	1,105,312	--	1,960,338
119,150,218	231,595,260	4,302,217	2,012,793	259,421	3,999,494
--	--	242,224	(907,481)	1,049,526	5,539,732
--	--	335,794	7,483,464	863,314	17,707,051
$ --	$ --	$ 578,018	$ 6,575,983	$ 1,912,840	$ 23,246,783

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	Housing Assistance Fund	Luxury Tax Fund	Medical Education Facilities Fund
REVENUES			
Taxes	$ --	$ --	$ --
Federal and other grants	--	--	854,243
Licenses and fees	--	--	--
Services and assessments	--	2,544,105	--
Investment earnings	--	--	604,992
Other	--	--	--
Total Revenues	--	2,544,105	1,459,235
OTHER INCREASES			
Transfers from other funds	3,030	11,725	--
Proceeds from the sale of bonds	--	--	--
Other	--	--	--
Total Other Increases	3,030	11,725	--
Total Revenues and Other Increases	3,030	2,555,830	1,459,235
EXPENDITURES			
Public safety and criminal justice	--	--	--
Educational, cultural and intellectual development	--	--	2,409,966
Community development and environmental management	--	--	--
Economic development and income protection	--	--	--
Transportation services	--	--	--
Government direction, management and control	--	--	--
Total Expenditures	--	--	2,409,966
OTHER DECREASES			
Transfers to other funds	3,030	--	604,992
Other	--	--	--
Total Other Decreases	3,030	--	604,992
Total Expenditures and Other Decreases	3,030	--	3,014,958
Net Increase (Decrease) in Fund Balances for the year	--	2,555,830	(1,555,723)
FUND BALANCES - JULY 1, 1981	12,493,432	--	14,045,326
FUND BALANCES - JUNE 30, 1982	$ 12,493,432	$ 2,555,830	$ 12,489,603

Mortgage Assistance Fund	Motor Vehicle Liability Security Fund	Motor Vehicle Security Responsibility Fund	Mutual Workers' Compensation Security Fund	Natural Resources Fund	New Home Warranty Security Fund
$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--
--	--	--	--	--	349,522
--	--	--	--	--	1,436,070
4,824	74,153	--	430,160	--	--
110,602	--	--	--	--	33,227
115,426	74,153	--	430,160	--	1,818,819
316,369	952,369	63,114	38,841	2,551,450	538,829
5,000,000	--	--	--	--	--
--	--	--	--	--	--
5,316,369	952,369	63,114	38,841	2,551,450	538,829
5,431,795	1,026,522	63,114	469,001	2,551,450	2,357,648
--	--	--	--	--	--
--	--	--	--	--	--
10,394,737	--	--	--	7,735,205	--
--	--	--	--	--	958,555
--	--	--	--	--	--
--	--	--	--	--	--
10,394,737	--	--	--	7,735,205	958,555
431,795	--	63,114	--	3,331,450	906,451
--	--	--	--	--	--
431,795	--	63,114	--	3,331,450	906,451
10,826,532	--	63,114	--	11,066,655	1,865,006
(5,394,737)	1,026,522	--	469,001	(8,515,205)	492,642
12,024,464	7,652,318	--	7,946,641	19,862,910	3,455,397
$ 6,629,727	$ 8,678,840	$ --	$ 8,415,642	$ 11,347,705	$ 3,948,039

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	NJ Federal-State Rural Rehabilitation Fund	New Jersey Insurance Development Fund	Outstanding Checks Account
REVENUES			
Taxes	$ --	$ --	$ --
Federal and other grants	--	--	--
Licenses and fees	--	--	--
Services and assessments	--	13,434,066	--
Investment earnings	--	--	--
Other	5,494	--	--
Total Revenues	5,494	13,434,066	--
OTHER INCREASES			
Transfers from other funds	52,482	1,507,180	668,884
Proceeds from the sale of bonds	--	--	--
Other	--	--	--
Total Other Increases	52,482	1,507,180	668,884
Total Revenues and Other Increases	57,976	14,941,246	668,884
EXPENDITURES			
Public safety and criminal justice	--	19,184,749	--
Educational, cultural and intellectual development	--	--	--
Community development and environmental management	39,964	--	--
Economic development and income protection	--	--	--
Transportation services	--	--	--
Government direction, management and control	--	--	--
Total Expenditures	39,964	19,184,749	--
OTHER DECREASES			
Transfers to other funds	--	--	668,884
Other	--	--	--
Total Other Decreases	--	--	668,884
Total Expenditures and Other Decreases	39,964	19,184,749	668,884
Net Increase (Decrease) in Fund Balances for the Year	18,012	(4,243,503)	--
FUND BALANCES - JULY 1, 1981	449,230	9,906,930	--
FUND BALANCES - JUNE 30, 1982	$ 467,242	$ 5,663,427	$ --

Real Estate Guaranty Fund	Rutgers Medical School-Restricted Fund	School Building Aid Capital Reserve Fund	School Fund	Special Railroad Deposits Trust Fund	State Disability Benefit Fund
$ --	$ --	$ --	$ --	$ --	$ 134,286,128
--	402,069	--	2,394,593	--	--
380,300	--	--	--	--	--
--	--	--	--	--	--
--	308,802	--	3,037,694	--	6,782,369
--	--	--	--	--	13,760,541
380,300	710,871	--	5,432,287	--	154,829,038
105,718	64,401	553,848	745,710	1,867	12,804,440
--	--	--	--	--	--
--	--	--	--	--	--
105,718	64,401	553,848	745,710	1,867	12,804,440
486,018	775,272	553,848	6,177,997	1,867	167,633,478
--	--	--	--	--	--
--	298,444	553,848	--	--	--
--	--	--	--	--	--
173,240	--	--	--	--	140,879,027
--	--	--	--	--	--
--	--	--	--	--	--
173,240	298,444	553,848	--	--	140,879,027
--	--	--	3,783,404	1,867	8,559,306
--	--	--	--	--	--
--	--	--	3,783,404	1,867	8,559,306
173,240	298,444	553,848	3,783,404	1,867	149,438,333
312,778	476,828	--	2,394,593	--	18,195,145
530,269	2,554,257	--	35,910,437	--	108,699,327
$ 843,047	$ 3,031,085	$ --	$ 38,305,030	$ --	$ 126,894,472

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR FISCAL YEAR ENDED JUNE 30, 1982

	State Land Acquisition and Development Fund	State of New Jersey Cash Management Fund	State of New Jersey-Tischler Memorial Fund
REVENUES			
Taxes	$ --	$ --	$ --
Federal and other grants	2,854,322	--	--
Licenses and fees	--	--	--
Services and assessments	--	--	--
Investment earnings	--	167,121,090	29,542
Other	110,662	--	--
Total Revenues	2,964,984	167,121,090	29,542
OTHER INCREASES			
Transfers from other funds	2,660,200	--	22,587
Proceeds from sale of bonds	60,000,000	--	--
Other	--	--	--
Total Other Increases	62,660,200	--	22,587
Total Revenues and Other Increases	65,625,184	167,121,090	52,129
EXPENDITURES			
Public safety and criminal justice	--	--	--
Educational, cultural and intellectual development	--	--	10,500
Community development and environmental management	26,787,523	--	--
Economic development and income protection	--	--	--
Transportation services	--	--	--
Government direction, management and control	--	--	--
Total Expenditures	26,787,523	--	10,500
OTHER DECREASES			
Transfers to other funds	2,770,862	75,633,070	--
Other	--	90,994,535	--
Total Other Decreases	2,770,862	166,627,605	--
Total Expenditures and Other Decreases	29,558,385	166,627,605	10,500
Net Increase (Decrease) in Fund Balances for the Year	36,066,799	493,485	41,629
FUND BALANCES - JULY 1, 1981	10,589,734	517,621	497,208
FUND BALANCES - JUNE 30, 1982	$ 46,656,533	$ 1,011,106	$ 538,837

State Recreation and Conservation Land Acquisition Fund 1971	State Recreation and Conservation Land Acquisition and Development Fund	State Water Development Fund	Stock Workers' Compensation Security Fund	Unclaimed Bank Deposits Escheat Reserve Fund
$ --	$ --	$ --	$ --	$ --
283,838	5,359,472	--	--	--
--	--	--	--	--
--	--	--	5,158	--
--	--	--	1,946,656	--
--	177,222	--	--	2,314,613
283,838	5,536,694	--	1,951,814	2,314,613
673,627	2,017,059	146,179	1,796,885	677,283
--	52,000,000	--	--	--
--	--	--	--	--
673,627	54,017,059	146,179	1,796,885	677,283
957,465	59,553,753	146,179	3,748,699	2,991,896
--	--	--	--	--
--	--	--	--	--
948,625	30,644,856	67,839	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	433,093
948,625	30,644,856	67,839	--	433,093
673,627	2,177,278	146,179	--	1,739,432
--	--	--	--	--
673,627	2,177,278	146,179	--	1,739,432
1,622,252	32,822,134	214,018	--	2,172,525
(664,787)	26,731,619	(67,839)	3,748,699	819,371
4,498,839	--	932,101	34,405,672	3,782,187
$ 3,834,052	$ 26,731,619	$ 864,262	$ 38,154,371	4,601,558

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	Unclaimed Domestic Life Insurance Escheat Reserve Fund	Unclaimed Personal Property Trust Fund	Unemployment Benefits Liability Fund
REVENUES			
Taxes	$ --	$ --	$ 3,342,181
Federal and other grants	--	--	7,619,954
Licenses and fees	--	--	--
Services and assessments	--	--	--
Investment earnings	--	--	--
Other	675,584	2,627,664	--
Total Revenue	675,584	2,627,664	10,962,135
OTHER INCREASES			
Transfers from other funds	148,021	922,027	176,530
Proceeds from the sale of bonds	--	--	--
Other	--	--	--
Total Other Increases	148,021	922,027	176,530
Total Revenues and Other Increases	823,605	3,549,691	11,138,665
EXPENDITURES			
Public safety and criminal justice	--	--	--
Educational, cultural and intellectual development	--	--	--
Community development and environmental management	--	--	--
Economic development and income protection	--	--	--
Transportation services	--	--	--
Government direction, management and control	31,754	344,202	--
Total Expenditures	31,754	344,202	--
OTHER DECREASES			
Transfers to other funds	506,688	1,912,568	9,271,327
Other	--	--	--
Total Other Decreases	506,688	1,912,568	9,271,327
Total Expenditures and Other Decreases	538,442	2,256,770	9,271,327
Net Increase (Decrease) in Fund Balances for the Year	285,163	1,292,921	1,867,338
FUND BALANCES - JULY 1, 1981	592,568	6,715,477	78,065
FUND BALANCES - JUNE 30, 1982	$ 877,731	$ 8,008,398	$ 1,945,403

Unemployment Compensation Fund	University of Medicine and Dentistry of New Jersey Construction Grant Fund	University of Medicine and Dentistry of New Jersey Endowment Fund	University of Medicine and Dentistry of New Jersey Endowment Fund "B"	University of Medicine and Dentistry of New Jersey Grant Fund	University of Medicine and Dentistry of New Jersey Grant Fund "B"
$ 741,125,464	$ --	$ --	$ --	$ --	$ --
92,502,291	--	--	--	--	38,283
--	--	--	--	--	--
--	--	--	--	--	--
--	5,072	5,305	340,111	22,458	167,321
--	--	--	--	--	--
833,627,755	5,072	5,305	340,111	22,458	205,604
9,271,327	187,882	13,025	51,442	9,928	47,388
--	--	--	--	--	--
88,801,372	--	--	--	--	--
98,072,699	187,882	13,025	51,442	9,928	47,388
931,700,454	192,954	18,330	391,553	32,386	252,992
--	--	--	--	--	--
--	132,830	23,652	390,021	28,826	202,134
--	--	--	--	--	--
860,919,685	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
860,919,685	132,830	23,652	390,021	28,826	202,134
--	--	--	--	--	--
38,418,717	--	--	--	--	--
38,418,717	--	--	--	--	--
899,338,402	132,830	23,652	390,021	28,826	202,134
32,362,052	60,124	(5,322)	1,532	3,560	50,858
(457,686,982)	1,379,286	302,652	6,083,322	377,124	1,435,854
$ (425,324,930)	$ 1,439,410	$ 297,330	$ 6,084,854	$ 380,684	$ 1,486,712

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	University of Medicine and Dentistry of New Jersey Self Insurance Reserve Fund	Unsatisfied Claim and Judgment Fund
REVENUES		
Taxes	$ --	$ --
Federal and other grants	1,317,275	--
Licenses and fees	--	13,805
Services and assessments	--	16,445,799
Investment earnings	717,799	1,647,823
Other	--	388,364
Total Revenues	2,035,074	18,495,791
OTHER INCREASES		
Transfers from other funds	406,803	1,804,459
Proceeds from sale of bonds	--	--
Other	--	--
Total Other Increases	406,803	1,804,459
Total Revenues and Other Increases	2,441,877	20,300,250
EXPENDITURES		
Public safety and criminal justice	--	--
Educational, cultural and intellectual development	927,018	--
Community development and environmental management	--	--
Economic development and income protection	--	9,666,295
Transportation services	--	--
Government direction, management and control	--	--
Total Expenditures	927,018	9,666,295
OTHER DECREASES		
Transfers to other funds	--	617,732
Other	--	--
Total Other Decreases	--	617,732
Total Expenditures and Other Decreases	927,018	10,284,027
Net Increase (Decrease) in Fund Balances for the Year	1,514,859	10,016,223
FUND BALANCES - JULY 1, 1981	7,595,231	32,333,694
FUND BALANCES - JUNE 30, 1982	$ 9,110,090	$ 42,349,917

Veterans' Guaranteed Loan Fund	Water Conservation Fund	Water Supply Fund	Total Trust and Agency Funds
$ --	$ --	$ --	$ 881,698,701
--	--	--	119,242,077
--	--	--	4,516,492
--	--	--	33,937,876
--	--	--	520,108,727
6,504	24,700	3,340	21,838,208
6,504	24,700	3,340	1,581,342,081
6,160	3,503,933	65,022	67,860,972
--	--	3,000,000	120,000,000
--	--	--	89,136,586
6,160	3,503,933	3,065,022	276,997,558
12,664	3,528,633	3,068,362	1,858,339,639
--	--	--	19,184,749
--	--	--	7,016,395
--	15,172,719	--	109,401,547
--	--	--	1,363,342,280
--	--	--	--
--	--	--	1,068,470
--	15,172,719	--	1,500,013,441
14,675	3,528,634	68,362	128,832,953
--	--	--	129,816,845
14,675	3,528,634	68,362	258,649,798
14,675	18,701,353	68,362	1,758,663,239
(2,011)	(15,172,720)	3,000,000	99,676,400
83,537	32,809,668	--	(15,511,006)
$ 81,526	$ 17,636,948	$ 3,000,000	$ 84,165,394

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
DESCRIPTION OF FUNDS
YEAR ENDED JUNE 30, 1982

BEACHES AND HARBOR FUND (P.L. 1977, c.208)

An amount of $30,000,000 was authorized for purposes of researching, planning, acquiring, developing, constructing, and maintaining beaches and harbors.

BOARDING HOUSE RENTAL ASSISTANCE FUND (P.L. 1981, c.515)

The purpose is to finance and make life safety improvement loans by the Housing Finance Agency, for the residents of boarding houses; and to provide a source of repayment for such life safety improvement loans.

CLEAN WATERS FUND (P.L. 1976, c.92)

An amount of $120,000,000 was authorized for the purposes of researching, planning, acquiring, developing, constructing, and maintaining water supply and waste water treatment facilities.

COMMON PENSION FUND "A"
COMMON PENSION FUND "B" (52:18A-90.1)

The Division of Investment is authorized to establish, maintain and operate common trust funds. Pension deposits from various funds are transferred for investment purposes to these common pension funds. Funds representing original sums plus accumulated earnings are then returned to the Division of Pensions and credited to the respective pension funds.

DISABILITY BENEFIT LIABILITY FUND (43:21-27)

Established to account for amounts withheld from State employees salaries for State employees disability benefits and for the State's share of funds appropriated therefore by the annual appropriation acts, which in total are transferred to the State Disability Benefit Fund.

EMERGENCY FLOOD CONTROL FUND (P.L. 1978, c.78)

An amount of $25,000,000 was authorized for the purposes of acquiring, developing, constructing, and maintaining flood control facilities and for the development of a comprehensive flood control master plan.

EMERGENCY SERVICES FUND (52:14E-5)

Established in 1972 to reimburse municipalities or counties for damage or excess costs as a result of an emergency. Payments must be certified by the Governor's Advisory Council and approved by the Governor.

GENERAL TRUST FUND (52:18-25.2b)

The principal amount of unredeemed bonds and coupons over two years old are withdrawn from bank accounts and deposited in this fund for investment. When presented for payment these overdue bonds and coupons are redeemed from this fund.

HAZARDOUS DISCHARGE FUND (P.L. 1981, c.275)

An amount of $100,000,000 was authorized for the purpose of identification and cleanup and removal of hazardous discharges. Earnings from the investments shall be paid to the General State Fund.

HIGHER EDUCATION ASSISTANCE FUND (18A-72-8)

The purpose is to account for funds guaranteeing loans made by financial institutions to assist qualified persons in meeting the costs of higher education in certain educational institutions. Defaulted loans are purchased from the financial institutions. A direct loan program has subsequently been added to the fund activities.

HOUSING ASSISTANCE FUND (P.L. 1968, c.127)

An amount of $12,500,000 was authorized for the purposes of making interest rate subsidies on contracts and agreements with qualified mortgagors and mortgagees of housing developments to decrease rental and carrying charges to low and moderate income occupants of such housing. Also, to provide financial assistance to qualified housing developments, constructed, financed, or rehabilitated under federal law and moderate income financing programs.

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
DESCRIPTION OF FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 1982

LUXURY TAX FUND (P.L. 1981, c.461)

The fund authorizes an increase in the rate of tax imposed by Atlantic City on sales and services. The increase local portion of these revenues are specifically dedicated as are the current revenues from the Atlantic City "Luxury Tax," to the payment of principal and interest on bonds issued by the Atlantic County Improvement Authority incident to authority projects in Atlantic City.

MEDICAL EDUCATION FACILITIES FUND (P.L. 1977, c.235)

An amount of $120,000,000 was authorized for the purpose of refinancing revenue bonds issued in 1974 by the New Jersey Health Care Facilities Financing Authority, so as to reduce interest costs for the construction of the teaching hospital at the University of Medicine and Dentistry of New Jersey, and such authorization also provided substantial savings ($25 million) which are available for the construction of other medical facilities.

MORTGAGE ASSISTANCE FUND (P.L. 1970, c.94)

An amount of $25,000,000 was authorized for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing for senior citizens and families of low and moderate income, and to provide funds for second mortgages and for a Neighborhood Preservation Program.

MOTOR VEHICLE LIABILITY SECURITY FUND (39:6-94)

The purpose is to account for moneys credited from receipts of insurers authorized to deal in vehicle liability insurance for New Jersey motor vehicles. The act provides for the payment of remaining benefits payable in the event of insolvency of the insurer.

MOTOR VEHICLE SECURITY-RESPONSIBILITY FUND (39:6-30.1)

The purpose is to account for security deposits made by motorists not having the required minimum motor vehicle insurance coverage in this state, who have been involved in a motor vehicle accident resulting in bodily injury or death, and/or property damage. The deposits may be disbursed in satisfaction of judgments rendered and/or the return to the motorist of such unused portion upon release of liability.

MUTUAL WORKERS' COMPENSATION SECURITY FUND
STOCK WORKERS' COMPENSATION SECURITY FUND (34:15-112 and 105)

The purpose is to account for moneys received from assessments levied against Mutual and Stock insurance carriers writing workers' compensation insurance in this state. Payments from the Mutual or Stock Workers' Compensation Fund are made to persons entitled to receive workers' compensation when a Mutual or Stock Carrier is determined to be insolvent.

NATURAL RESOURCES FUND (P.L. 1980, c.70)

An amount of $145,000,000 was authorized to fund State and local projects for resource recovery, sewage treatment, water supply, dam restoration, and harbor clean up projects.

NEW HOME WARRANTY SECURITY FUND (46:3B-7)

The purpose is to account for moneys received from participating builders of dwellings not previously occupied, excluding those constructed solely for lease. Payments are authorized by approved claims of owners for defects in new homes covered by the new home warranty.

NEW JERSEY FEDERAL-STATE RURAL REHABILITATION FUND

Established under the authority of the State Treasurer from funds received from the federal government and previously administered by the Department of Agriculture. The moneys herein are made available for loans to farmers in New Jersey.

NEW JERSEY INSURANCE DEVELOPMENT FUND (17:37A-18)

The purpose is to account for receipts derived from a surcharge of all basic property insurance premiums paid for by policies of insurance written in this state, collected by the insuror, and remitted to the State. Payments from the Fund are used to reimburse any insurer or the New Jersey Insurance Underwriting Association for losses sustained. The reimbursement in any given calendar year shall not however, exceed 5 percent of the insurance premiums written on essential property insurance in the State in the most recent full calendar year.

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
DESCRIPTION OF FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 1982

OUTSTANDING CHECKS ACCOUNT (52:18-25.1)

The purpose is to account for amounts withdrawn from state demand bank accounts, over which the State Treasurer has custody and control, which represent outstanding and unpaid checks over one year old. These amounts are held until (a) the outstanding check is present for payment, or (b) the check has been outstanding for a period of six years, in which case the amount is transferred over to the General Fund.

REAL ESTATE RECOVERY FUND (45:15-34)

The purpose is to account for moneys received from additional fees on annual licenses of real estate brokers and real estate salesmen. Claim payments, as certified by court orders, are made to persons aggrieved by the embezzlement, conversion, or unlawful obtaining of money or property by a licensed real estate broker or a real estate salesman, or an unlicensed employee of a real estate broker.

RUTGERS MEDICAL SCHOOL--RESTRICTED FUND (52:18A-90.1)

The purpose is to permit the Division of Investment to establish, maintain, and operate one or more common trust funds. Moneys in the above fund, formerly held and maintained by Rutgers University, were turned over to the State for investment management purposes and are returnable, together with the investment earnings to the University.

SCHOOL BUILDING AID--CAPITAL RESERVE FUND (18:18-29.14)

The purpose is to maintain a building aid reserve fund for each school district having funds on deposit as of September, 1975. These deposits as of that date, together with amounts credited from investment earnings to each school district may be disbursed for: (1) principal and interest payments to holders of bonds issued by the school district after the effective date of the act, when such school district has certified to the Commissioner of Education and the Director of the Division of Local Government Services its inability to meet the payments thereof; (2) payments to the school district up to the balance of the credit of such school district, to the extent that such withdrawal is anticipated as revenue in the school district budget for the current year, or withdrawn for capital purposes authorized by ordinance or by vote of the electors of the school district.

SCHOOL FUND (18A:56-1)

This fund was formerly known as "Fund for the Support of Free Schools." The constitution of 1844 provided that such fund for the support of free schools remain a perpetual fund (now Article VII, Section IV, Paragraph 2). The accounting for the moneys deposited and expended is recorded by the use of two funds, i.e. School Fund--Income Account, and School Fund--Investment Account.

The School Fund--Income Account is utilized for all items of income to the School Fund which may consist of rents received or leased riparian lands of the State, licenses, and fees related to such lands, and the income from earnings on investments. The income is appropriated by the annual appropriation acts for the support of free public schools. The income of the fund is then transferred to the General Fund in support of such appropriations.

The School Fund--Investment Account is utilized for the proceeds of the sale of riparian lands of the State which are held and reserved as a perpetual fund. Moneys reserved may be used to purchase bonds of a school district, issued for school purposes after December 4, 1958, from the bond holders or to pay to such bond holders the interest due thereon when such school district has certified to the Commissioner of Education and the Director of Local Government Services its inability to meet the payments.

P.L. 1980, c.72 enacted on July 16, 1980, known as the "New Jersey School Bond Reserve Act", provides for the establishment of a School Bond Reserve within the School Fund, in an amount equal to at least 1 1/2% of the aggregate issued and outstanding bonded indebtedness of counties, municipalities or school districts for school purposes, exclusive of bonds the debt service for which is provided by State Appropriations.

SPECIAL RAILROAD DEPOSITS TRUST FUND (48:12-25)

The purpose is to account for moneys deposited with the State Treasurer by railroad companies prior to construction of railroad branch lines. Payments from these funds may be made in the form of returns of deposits upon proper certification to the State Treasurer of the completion of the branch line. Earnings on the investment of such deposits accrue to the credit of the General Fund.

STATE OF NEW JERSEY
TRUST AND AGENCY FUNDS
DESCRIPTION OF FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 1982

STATE DISABILITY BENEFIT FUND (43:21-46a)

The purpose is to account for deposits from contributions of workers and employers who are subject to the contribution section on taxable wages under the unemployment compensation law of the State; and from special assessments, fines, penalties, and investment earnings. Payments from the fund may be made to persons entitled to disability benefits and benefits not covered by the Workers Compensation Law, for authorized refunds of contributions and for administration expenses.

STATE LAND ACQUISITION AND DEVELOPMENT FUND (P.L. 1978, c.118)

An amount of $200,000,000 was authorized for state and local acquisition and development to continue efforts to conserve open space and provide recreation areas. Half of the amount is allocated to urban areas.

STATE OF NEW JERSEY CASH MANAGEMENT FUND (52:18-90.4)

The purpose is to create a common trust fund to consolidate moneys for investment. Money from various bond funds, trust funds, and agency funds are used to purchase units of value in the State of New Jersey Cash Management Fund. The law also permits participation in the fund by municipalities, counties, school districts, or other public body corporate and politic.

STATE OF NEW JERSEY--VISCHER MEMORIAL FUND

Established under the authority of the State Treasurer in accordance with the terms of a bequest to the State of New Jersey, the principal amount of which is to be invested in a prudent manner and the income from such investment to be used for library materials.

STATE RECREATION AND CONSERVATION LAND ACQUISITION FUND (P.L. 1971, c.165)

An amount of $80,000,000 was authorized to enable the State to acquire lands and to provide for state grants to assist municipalities and counties and other units of local government to acquire lands for recreation and conservation purposes.

STATE RECREATION AND CONSERVATION LAND ACQUISITION AND DEVELOPMENT FUND (P.L. 1974, c.102)

An amount of $200,000,000 was authorized to enable the State to acquire and develop lands and to provide for state grants to assist municipalities and counties and other units of local government to acquire and develop lands for recreation and conservation purposes.

STATE WATER DEVELOPMENT FUND (P.L. 1958, c.35)

An amount of $45,850,000 was authorized for the purpose of researching, acquiring, constructing, and developing water supplies for potable, industrial, irrigational, and other purposes.

UNCLAIMED BANK DEPOSITS ESCHEAT RESERVE FUND (17:9-25b)

The purpose is to account for money received from banks located within the State, representing unclaimed balances of depositors' deposits which after ten years are escheatable to the State. Seventy-five percent of the receipts are escheated to the General Fund of the State. The remaining 25 percent are retained in the Fund. Earnings on the investment of the moneys of the fund inure to the credit of the Fund.

Payments from the Fund are authorized for (a) payment of the 75 percent that escheats to the General Fund of the State; (b) payments of claims submitted and approved of the principal amounts escheated; and (c) for the payment of expenses and costs incurred by the State Treasurer and the Attorney General for administrative purposes.

UNCLAIMED DOMESTIC LIFE INSURANCE ESCHEAT RESERVE FUND (17:34-54)

The purpose is to account for any unclaimed moneys received from the insurance companies authorized to write life insurance in the State, due and payable to any person entitled and which has remained unclaimed after a five-year period. Seventy-five percent of the receipts are escheated to the General Fund. The remaining 25 percent is retained for a period of another five years, at which time if still unclaimed also escheats to the General Fund.

Payments from this fund are authorized for transferring of those amounts escheatable to the General Fund and for the payment of any approved claim to or in behalf of any person entitled to receive the same. Earnings on any funds invested are also authorized to be transferred to the General Fund.

UNCLAIMED PERSONAL PROPERTY TRUST FUND (18A:17-41)

Amounts received by the State from holders of personal property, including abandoned, lost and payable to owners or last known address but unclaimed for additional five years, are received into this fund. Investment income of such amounts are escheated to the General Fund when received. The remaining 75 percent is retained in the fund for five years. Payments from the fund are authorized for claims by legislative act approved by the Legislature and approved by the Governor. Payments of claims presented by the owner are made after approval by the State Treasurer. The balance of the 25 percent retained for the five-year period which have not been claimed by the owners are then escheated to the General Fund. Amounts representing unclaimed pensions do not escheat to the State. Such amounts account back to the respective pension fund from where payable. Should any claim approved for payment exceed the balance of moneys available herein, the difference is payable out of unappropriated funds of the General Fund.

UNEMPLOYMENT BENEFITS LIABILITY FUND (43:21-7.3f)

The purpose is to account for receipts of wage earners' contributions withheld on wages subject to the Unemployment Compensation Law, paid to persons employed by the State, and the receipt of amounts appropriated to the General Fund by the Legislature and transferred hereinto as the employer's share of contributions. Payments are made directly to the Unemployment Compensation Fund of the State as reimbursements to that fund for unemployment benefits paid to persons formerly employed by the State and eligible to receive such benefits.

UNEMPLOYMENT COMPENSATION FUND (43:21-9a)

The purpose is to account for moneys deposited from employers' and employees' contributions who are subject to the State of New Jersey Unemployment Compensation; also, to account for amounts credited or advances made by the federal government and amounts received herein from any other source.

After giving consideration to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for the credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United States by the Division of Employment Security on an as-need basis, which amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits.

Any insufficiency in the Unemployment Compensation Fund to pay benefits is covered by federal statutes which authorize advances from the federal government for unemployment benefits to the State. Such advances were repayable by increased rates on federally taxable wages reported by New Jersey employers. On the advances made to obtain relief of the fund assets at any time by the Governor.

UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY ENDOWMENT FUND
UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY ENDOWMENT FUND "B"
UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY GRANT FUND
UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY GRANT FUND "B"
(52:18A-90.1)

Moneys in these funds formerly managed by the University of Medicine and Dentistry were turned over to the State for investment management purposes. The funds plus earnings are returnable to the University.

UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY--SELF-INSURANCE RESERVE FUND

This fund is established by a trust Agreement between the State and the University of Medicine and Dentistry to cover malpractice claims against the hospitals and the University. Fund deposits are managed by the Division of Investment with earnings increasing the fund. This type of insurance is required by the New Jersey Health Care Facilities Financing Authority for protection of the authority's bondholders.

UNSATISFIED CLAIM AND JUDGMENT FUND (P.L. 1952, c.174)

The purpose is to account for receipts from insurance companies, as assessed by the Director of the Division of Motor Vehicles recoveries on judgments entered against uninsured motorists, and amounts credited from earnings on investments.

Payments are authorized for amounts of approved claims to citizen persons resulting from bodily injury, death, and/or damage to property up to specified maximum amounts, exclusive of interest and costs. In addition, payments of no-fault benefits on hit and run and non-insured cases resulting in bodily injury caused by an accident involving a motor vehicle are likewise authorized. Payments are made for amounts of medical expense benefits which exceed the maximum allowable amount payable for medical expense coverage under the no-fault provision of the New Jersey Automobile Reparation Reform Act. Administrative expenses are also payable as are approved refunds of excess recoveries or judgments.

VETERANS' GUARANTEED LOAN FUND (P.L. 1948, c.84)

The purpose is to account for funds that guarantee bank loans to certain war veterans. Upon request by the lending bank, a loan to a veteran evidenced by non-payment of the loan thirty days after date of maturity or evidenced by unpaid installments more than three months in arrears, together with any unpaid accrued interest, may be purchased by the fund upon approval of the Veterans' Loan Authority. The Authority thereupon assumes the responsibility for the collection of the defaulted loan and any accrued interest thereon that has been purchased from the bank by the fund. Receipts are applied against the principal and/or interest of the defaulted loan. Payments from the fund are also authorized for all administrative expenses.

WATER CONSERVATION FUND (P.L. 1969, c.174)

An amount of $271,000,000 was authorized for the purpose of researching, planning, acquiring, developing, constructing, and maintaining water supply and waste water treatment facilities for the preservation, sale, or exchange of water for potable, industrial, commercial, irrigational, recreational, and other public purposes.

WATER SUPPLY FUND (P.L. 1981, c.261)

An amount of $300,000,000 was authorized for the purposes of providing loans for state or local projects for the rehabilitation, repair or reconstruction of antiquated, damaged or inadequately operating water supply facilities, as recommended by the New Jersey Statewide Water Supply Plan. Earnings from the investments shall be paid into the General State Fund.

GENERAL LONG TERM DEBT ACCOUNT GROUP

The General Long-Term Debt Group is an account group, not a fund. An account group is concerned only with the measurement of financial position and does not involve measurement of results of operations.

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State of New Jersey

OFFICE OF LEGISLATIVE SERVICES
DIVISION OF STATE AUDITING
STATE HOUSE ANNEX, CN-067
TRENTON, NEW JERSEY 08625
TELEPHONE (609) 292-6430

JAMES J. DOLAN
STATE AUDITOR

December 22, 1982

TO: Honorable Thomas H. Kean
Governor of New Jersey

Honorable Carmen A. Orechio
President of the Senate

Honorable Alan J. Karcher
Speaker of the General Assembly

Mr. Samuel A. Alito
Executive Director
Office of Legislative Services

Gentlemen:

We have examined the balance sheet of the General Long-Term Debt Account Group and the statement of Outstanding Bonds of the State of New Jersey as of June 30, 1982 and the related statement of changes in General Long-Term Debt for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As further detailed in Note 2, there were certain changes in accounting presentation, with which we concur. Beginning in Fiscal Year 1982, the obligations for future installment payments of lottery prizes due beyond one year from the balance sheet date are now recorded at projected amounts in the Long-Term Debt Account Group.

In our opinion, except for the effects on consistency as noted in the preceding paragraph, the accompanying statements present fairly the financial position of the State of New Jersey, General Long-Term Debt Account Group and the Outstanding Bonds as of June 30, 1982 and changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The examination was performed and this report is submitted pursuant to the State Auditor's audit responsibilities as set forth in Article VII, Section 1.5 of the State Constitution, and N.J.S.A. 52:24-4, Legislative Services Law of 1978.

Respectfully submitted,

James J. Dolan

James J. Dolan
State Auditor

STATE OF NEW JERSEY
GENERAL LONG TERM DEBT ACCOUNT GROUP
BALANCE SHEET
JUNE 30, 1982 AND JUNE 30, 1981

	1982	1981
OTHER ASSETS		
Amount available in debt service fund	$ --	$ 7,000,000
Amount to be provided for retirement of general obligation bonds	2,034,445,000	1,820,320,000
Deposit fund contracts (Note 2)	33,836,484	34,518,971
Amount to be provided from interest on deposit fund contracts (Note 2)	33,323,084	34,917,653
Total Assets	$ 2,101,604,568	$ 1,896,756,624
LIABILITIES		
General obligation bonds payable (Note 3)	$ 2,034,445,000	$ 1,827,320,000
Installment prizes payable (Note 2)	67,159,568	69,436,624
Total Liabilities	$ 2,101,604,568	$ 1,896,756,624

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
STATEMENT OF OUTSTANDING BONDS
JUNE 30, 1982

	ACT OF	AUTHORIZED	UNISSUED	RETIRED	OUTSTANDING
Beaches and Harbors	1977	$ 30,000,000	$ 18,000,000	$ 200,000	$ 11,800,000
Clean Waters	1976	120,000,000	14,000,000	7,940,000	98,060,000
Emergency Flood Control	1978	25,000,000	15,000,000	400,000	9,600,000
Energy Conservation	1980	50,000,000	40,000,000	--	10,000,000
Farmland Preservation	1981	50,000,000	50,000,000	--	--
Hazardous Discharge	1981	100,000,000	100,000,000	--	--
Higher Education Construction	1971	155,000,000	--	36,100,000	118,900,000
Highway Improvement	1930	58,000,000	--	55,575,000	2,425,000
Institutional Construction	1978	100,000,000	13,000,000	800,000	86,200,000
Institutions Construction	1976	80,000,000	6,000,000	2,640,000	71,360,000
Medical Education Facilities	1977	120,000,000	--	8,000,000	112,000,000
Natural Resources	1980	145,000,000	125,000,000	--	20,000,000
New Jersey Institutions Construction	1964	50,000,000	--	27,200,000	22,800,000
Public Building Construction	1968	337,500,000	--	104,650,000	232,850,000
Public Purpose Building Construction	1980	159,000,000	129,000,000	--	30,000,000
State Facilities for Handicapped	1973	25,000,000	--	6,000,000	19,000,000
State Higher Education Construction	1964	40,100,000	--	22,200,000	17,900,000
State Housing Assistance	1968	12,500,000	--	4,500,000	8,000,000
State Institution Construction	1960	40,000,000	--	31,100,000	8,900,000
State Land Acquisition and Development	1978	200,000,000	120,000,000	400,000	79,600,000
State Mortgage Assistance	1976	25,000,000	--	2,080,000	22,920,000
State Recreation and Conservation Land Acquisition and Development	1974	200,000,000	20,000,000	18,280,000	161,720,000
State Recreation and Conservation Land Acquisition	1961	60,000,000	--	45,200,000	14,800,000
State Recreation and Conservation Land Acquisition	1971	80,000,000	--	15,120,000	64,880,000
State Transportation	1968	640,000,000	--	174,690,000	465,310,000
Transportation Rehabilitation and Improvement	1979	475,000,000	300,500,000	--	174,500,000
Water Conservation	1969	271,000,000	50,000,000	62,080,000	158,920,000
Water Development	1958	45,850,000	--	36,850,000	9,000,000
Water Supply	1981	350,000,000	347,000,000	--	3,000,000
TOTAL		$ 4,043,950,000	$ 1,347,500,000	$ 662,005,000	$ 2,034,445,000

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
STATEMENT OF CHANGES IN GENERAL LONG TERM DEBT ACCOUNT GROUP
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	ACT OF	OUTSTANDING JUNE 30, 1981
Beaches and Harbors	1977	$ 12,000,000
Clean Waters	1976	101,290,000
Emergency Flood Control	1978	10,000,000
Energy Conservation	1980	10,000,000
Farmland Preservation	1981	--
Hazardous Discharge	1981	--
Higher Education Construction	1971	125,400,000
Highway Improvement	1930	3,145,000
Institutional Construction	1978	35,000,000
Institutions Construction	1976	54,860,000
Medical Education Facilities	1977	116,000,000
Natural Resources	1980	20,000,000
New Jersey Institutions Construction	1964	25,800,000
Public Building Construction	1968	246,100,000
Public Purpose Buildings Construction	1980	15,000,000
State Facilities for Handicapped	1973	21,700,000
State Higher Education Construction	1964	20,700,000
State Housing Assistance	1968	8,600,000
State Institution Construction	1960	10,700,000
State Land Acquisition and Development	1978	20,000,000
State Mortgage Assistance	1976	18,670,000
State Recreation and Conservation Land Acquisition and Development	1974	114,650,000
State Recreation and Land Acquisition	1961	17,400,000
State Recreation and Land Acquisition	1971	67,710,000
State Transportation	1968	492,320,000
Transportation Rehabilitation and Improvement	1979	79,500,000
Water Conservation	1969	169,275,000
Water Development	1958	11,500,000
Water Supply	1981	--
Installment Prizes Payable (Note 2)	--	69,436,624
TOTAL		$ 1,896,756,624

The accompanying notes are an integral part of the financial statements.

ADDITIONS		DEDUCTIONS		
BONDS ISSUED	INSTALLMENT PRIZES WON	BONDS RETIRED	INSTALLMENT PRIZES-CURRENT	OUTSTANDING JUNE 30, 1982
$ --	$ --	$ 200,000	$ --	$ 11,800,000
--	--	3,230,000	--	98,060,000
--	--	400,000	--	9,600,000
--	--	--	--	10,000,000
--	--	--	--	--
--	--	--	--	--
--	--	6,500,000	--	118,900,000
--	--	720,000	--	2,425,000
52,000,000	--	800,000	--	86,200,000
18,000,000	--	1,500,000	--	71,360,000
--	--	4,000,000	--	112,000,000
--	--	--	--	20,000,000
--	--	3,000,000	--	22,800,000
--	--	13,250,000	--	232,850,000
15,000,000	--	--	--	30,000,000
--	--	2,700,000	--	19,000,000
--	--	2,800,000	--	17,900,000
--	--	600,000	--	8,000,000
--	--	1,800,000	--	8,900,000
60,000,000	--	400,000	--	79,600,000
5,000,000	--	750,000	--	22,920,000
52,000,000	--	4,930,000	--	161,720,000
--	--	2,600,000	--	14,800,000
--	--	2,830,000	--	64,880,000
--	--	27,010,000	--	465,310,000
95,000,000	--	--	--	174,500,000
--	--	10,355,000	--	158,920,000
--	--	2,500,000	--	9,000,000
3,000,000	--	--	--	3,000,000
--	2,850,000	--	5,127,056	67,159,568
$ 300,000,000	$ 2,850,000	$ 92,875,000	$ 5,127,056	$ 2,101,604,568

STATE OF NEW JERSEY
GENERAL LONG-TERM DEBT ACCOUNT GROUP
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The National Council on Governmental Accounting in its publication entitled Statement 1 - Government Accounting and Financial Reporting Principles states that except for long-term liabilities of proprietary funds, Special Assessment Funds, and Trust Funds, unmatured general long-term liabilities of the governmental unit should be accounted for through the General Long-Term Debt Account Group. These statements reflect financial reporting practices in accordance with that definition.

General Long-Term Debt Account Group:

There are four types of public purpose capital financings through borrowing which are done by the State of New Jersey or through which the State supports through annual appropriations: (1) full faith and credit or direct debt; (2) authority financing; (3) lease agreements; and (4) state-aid for local educational financings.

These statements set forth the amounts which are supported by the State's full faith and credit (item (1) above) and do not include other borrowing by authorities, leases or local financing (item (2), (3), and (4) above).

In addition, the General Long-Term Debt Account Group includes the asset and associated liability for the future payment of lottery prizes ranging from five years to winner's lifetimes.

(B) CONSTITUTIONAL PROVISIONS

The State Constitution provides that the Legislature may not create a debt (where total outstanding debt would exceed one percent of total appropriations for the year) unless such law shall have been submitted to the people at a general election and approved by a majority of the legally qualified voters.

(C) BASIS OF ACCOUNTING

The General Long-Term Debt Group is an account group, not a fund. An account group is concerned only with the measurement of financial position and does not involve measurement of results of operations.

At the time of sale of general obligation serial bonds by the State, as authorized by the approved bond act, the principal amount of each series sold is recorded in an account of the General Long-Term Debt Account Group. The recording of the long-term liability is offset with an increase to the "amount to be provided" account.

Upon enactment of the State's annual appropriations for amounts of principal to be paid to bondholders during that fiscal year, such amounts of principal as appropriated reduce both the amount to be provided and the general obligation bonds payable accounts.

Obligations for future lottery prize installment payments due beyond one year from the balance sheet date are recorded at the face value of future payments and are funded by annuity contracts. The Balance Sheet account, Deposit fund contracts, reflects the present value of fixed or determinable installments at amounts required to purchase annuities; at specified rates, which will yield a series of annuity payments equal to the future benefit payments. The present value of the lifetime portion of deferred payments is recorded at the original purchase price of the annuity contract adjusted for interest appreciation.

(D) REPORTING ENTITY

These statements represent the long-term obligations of the State of New Jersey which are not accounted for elsewhere and do not include the long-term obligations of authorities and public corporations which do not require resources of the General Fund.

(E) OTHER

Other significant accounting policies are described in notes 2 through 4.

NOTE 2 - CHANGES IN ACCOUNTING POLICY

Obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts were previously recorded as assets and liabilities in the State Lottery Fund at present value.

Beginning in fiscal year 1982, the obligation for payments due beyond one year from the balance sheet date are now recorded at the value of projected payments in the Long-Term Debt Account Group.

The present value of the asset and liability at June 30, 1982 and June 30, 1981 was $33.8 million and $34.5 million respectively.

The projected payments at the above dates are $67.2 million and $69.4 million respectively.

For comparative purposes the June 30, 1981 balance sheet has been restated to include $69.4 million of assets and liabilities to reflect this change in accounting policy.

NOTE 3 - PROJECTION OF PRINCIPAL PAYMENTS TO MATURITY

Amount to be provided for retirement of general obligation bonds on the balance sheet represents appropriations to be provided in the future from the General Fund.

A summary of the amount of principal to maturity to be appropriated for payments to bondholders for bonds outstanding as of June 30, 1982 is as follows:

Fiscal Year	Principal
1983	$ 107,590,000
1984	115,595,000
1985	116,750,000
1986	118,255,000
1987	116,510,000
1988-1992	558,245,000
1993-1997	486,500,000
1998-2002	346,100,000
2003-2006	58,900,000
	$ 2,034,445,000

NOTE 4 - APPROPRIATIONS

Debt Service payments due July 1, 1981 were appropriated as part of the fiscal year 1981 Appropriations Act. This resulted in an amount available in the Debt Service Fund of $7,000,000 for principal as of June 30, 1981.

Debt Service payments due July 1, 1982 were appropriated as part of the fiscal year 1983 Appropriations Act and, therefore, there was no corresponding amount available in the Debt Service Fund as of June 30, 1982.

SUPPLEMENTAL FINANCIAL DATA

STATE OF NEW JERSEY
SUPPLEMENTARY FISCAL DATA
YEAR ENDED JUNE 30, 1982

FINANCING OF PENSIONS

Virtually all of the public employees of the State and its counties, municipalities, and political subdivisions are members of pension plans administered by the State. The State operates seven retirement plans. Public Employees' Retirement System (PERS) and Teachers' Pension and Annuity Fund (TPAF), created by acts of the State Legislature in 1920 and 1919, respectively, are the principal plans, together covering 329,925 out of the total 359,189 members covered by all State administered plans. The other systems are Police and Firemen's Retirement System (26,888 members), Consolidated Police and Firemen's Pension Fund (33 members), State Police Retirement System (1,948 members), Judicial Retirement System (318 members), and Prison Officers' Pension Fund (89 members).

State law regulates the administration of the pension fund system. State law requires that all systems (except the Prison Officers' Pension Fund, which is closed to new members and whose obligations are funded from current appropriations) are subject to actuarial valuation every year and actuarial investigation every three years. Such valuations and investigations are designed to insure that these programs adequately recognize the additional costs resulting from experience or legislative changes in the benefits to be paid. As these systems are fully funded reserve programs, any amendment increasing liabilities is met by an increase in the normal contribution as well as the establishment of an accrued liability to be financed over a period of years as specified in the amendatory statute.

State law also provides that any changes in pension fund benefits must be approved by the Legislature, and that each bill submitted to the legislature must be accompanied by a fiscal note stating the cost of the proposal. State law provides that pension fund benefits are not subject to negotiations between the State and other public employers and the employee members of the plan.

Nearly all employees are members of contributory plans, with ten years of employment required before the benefits become vested. Upon retirement, after thirty years of service (twenty-five for policemen and firemen), members are eligible for annual pension benefits equal to one half of their average contractual or base salary for their three final or highest paid fiscal years of service. After a member has been retired for two years, he is eligible for the pension adjustment program, which provides for an adjustment in benefits. In fiscal year 1982 this adjustment was equal to 66 2/3 percent of the change to the consumer price index. In fiscal year 1983 the adjustment rate will be 60 percent. All members of state administered plans, except policemen and firemen, qualify for social security benefits in addition to benefits of the retirement plans.

The various funds were analyzed between December 31, 1980, and July 1, 1981, by independent actuaries who reported the following data.

The present value of projected benefits (including both vested and nonvested benefits) for the six pension funds approximated $15.9 billion at the valuation dates. The studies indicated that book value of all assets of the funds were in excess of $6.4 billion.

With regards to the same funds, the present value of future contributions from members approximates $2.4 billion, and the present value of future normal costs approximates $5.7 billion, and thus, the accrued liability of the above six funds is approximately $7.6 billion. On this basis, the $6.4 billion book value of all assets compared to the $7.6 billion accrued liability, represents a funding level of 84 percent.

A summary of the six funds is listed below.

	Funding Began	Date of Valuation	Accrued Benefit Liability	Book Assets
PERS	1920	3/31/81	$2,538,749,075	$2,156,883,047
TPAF	1919	3/31/81	3,282,962,811	2,744,810,101
Police & Firemen's	1944	6/30/80	1,395,199,526	1,248,977,520
Consolidated Police and Firemen's	1953	12/31/80	199,392,890	97,782,223
State Police	1965	7/1/81	158,370,294	151,962,143
Judicial	1973	7/1/81	71,875,490	24,760,846
TOTAL			$7,646,550,086	$6,425,175,880

The Division of Investment of the Department of the Treasury, which is under the independent supervision of the State Investment Council, invests the assets of the state administered pension plans. The book value of the aggregate investments of the pension funds was $7.9 billion at June 30, 1982. The net investment earnings of pension fund assets were $422.2 million, $497.7 million, and $598.1 million for the fiscal years ended June 30, 1980, 1981, and 1982, respectively.

In PERS, the State pays the cost for state employees, while counties, municipalities, school districts, and local public agencies pay the cost for their employee members. The State, rather than local school boards, pays the employer contributions to TPAF, including the employer's share of the Social Security tax, with respect to public school teachers in the State. The other retirement systems administered by the State include the Police and Firemen's Retirement System, which is primarily established for municipal policemen and firemen. The State's participation in this system is limited to those state-employed law inforcement officers who have been permitted to enroll therein.

The State also administers the Consolidated Police and Firemen's Pension Fund, which is a system composed entirely of municipal policemen and firemen who were first employed prior to 1944. The system was established on a funded basis in 1953, with its unfunded liability to be amortized over a period of 30 years. The State pays one-third of the accrued liability of that system, even though there are no state employees who are members.

There are only state employees in the Prison Officers' Pension Fund, a system which has been closed to new members since 1960 and which now contains 89 active members. Because of its nature, the system does not lend itself to a reserve program and its obligations are being met out of current appropriations. The State maintains a State Police Retirement System which was placed on a funded basis in 1965. The State also administers the Judicial Retirement System, which was placed on a funded basis in 1973.

In addition to these defined benefit programs, the State also maintains the Alternate-Benefit Program, which is a defined contribution plan for full-time members of the faculties at Rutgers, The State University; the New Jersey Institute of Technology; the University of Medicine and Dentistry of New Jersey; and state and county colleges. In fiscal year 1982 there were 9,800 employees participating in the Alternate-Benefit Program. This plan is underwritten by the Teachers' Insurance and Annuity Association and the College Retirement Equities Fund. The State pays a fixed rate of contribution comparable to the normal contribution which would be required in a defined benefit program.

EMPLOYEE RELATIONS

The State of New Jersey, as a public employer, is covered by the New Jersey Public Employer-Employee Relations Act, as amended, N.J.S.A. 34:13A-1, et seq., which guarantees to public employees the right to negotiate collectively through employee organizations certified or recognized as the exclusive collective negotiations representative for a unit of public employees found to be appropriate for collective negotiations purposes. Of the State's approximately 78,000 (including personnel at Rutgers, The State University and the University of Medicine and Dentistry of New Jersey) employees, 70,000 are represented by certified or recognized exclusive majority representatives, and are organized into 30 negotiating units.

The Act specifies a negotiations process which includes mediation and advisory fact finding in the event of a negotiations impasse. This process is geared to the public employer's budget submission process. Thus, unless there is a multi-year agreement in effect, negotiations begin in October and the entire process, including mediation and fact finding, should be completed prior to the Governor's submission of a budget to the Legislature in February of each year, so that the budget process can reflect the results of negotiations. In the event that the negotiations are not completed by the February budget submission date, a later supplemental appropriations request is made. The economic provisions of negotiated agreements generally take effect at the beginning of each fiscal year.

In fiscal year 1982, most state employees were in the first year of a two-year contract, and received a net across-the-board increase of 8 percent. In addition, employees who received at least satisfactory performance ratings also received merit increments in accordance with the Compensation Plan. On the average, these increments amounted to 4 percent per eligible employee. Also, some bargaining units received one-time bonus payments of $100 and $50.

INVESTMENTS

The Division of Investment in the Department of the Treasury has the responsibility for investing eighty-one funds, including six pension and annuity funds. The statutes provide for an Investment Council and a Director. The Council consists of ten members, five appointed for staggered five-year terms by the Governor, and five appointed for one-year terms by five of the pension systems.

Prior to 1950, investment was limited by law to United States government and municipal obligations. Over the years, various amendments have been made to the law which materially increased the scope of potential investment opportunities and provided a foundation for achieving a better portfolio balance and diversification. At the present time, the pension fund systems are permitted to invest in property of every nature, including bonds, mortgages and common stocks, under the prudent-man rule.

Present regulations of the State Investment Council govern all of the Division's investments and limit the authority of the Director to investment of not more than 25 percent of the book value of any one pension fund in common stock. At June 30, 1982, mortgages and common stocks constituted 15 percent and 22 percent respectively, of pension fund assets.

The book value of all securities held by the state investment funds as of June 30, 1982, was $9.5 billion, an increase of 14.1 percent, or $1.2 billion over fiscal year 1981. Of the $9.5 billion book value of funds, the assets of the six pension funds represent $7.9 billion book value of funds, while the remainder was in trust funds and other state funds.

The net investment earnings produced by the investments in fiscal year 1982 were $769.5 million, an increase of $160.6 million or 26.4 percent from the prior year. The largest portion of the earnings, $598.1 million, was earned on securities held by the state-managed pension funds. These earnings enable the State to reduce its obligation to appropriate tax dollars to fund the accrued liability of the State's pension obligations. The remaining $171.4 million was earned on various state demand reserve, static, and trust funds.

Cash Management Fund

The New Jersey Cash Management Fund is an investment pool made up of assets of a number of state funds, together with deposits from "Other than State" entities, including counties, municipalities, school boards, and other eligible public entities. As of June 30, 1982, 253 "Other than State" entities were participating in the fund, and the book value of their assets totaled $255 million.

The fund provides that eligible participants can deposit and withdraw funds at any time and earn daily interest at a rate which reflects interest and amortization income of the securities in the fund. The gross daily return for the fund on an annualized basis was 14.1 percent in fiscal year 1982, compared to 12.0 percent in the prior year.

GENERAL LONG-TERM DEBT

OVERVIEW

Bonds (the term "municipal bond" is generic and refers to all government financings, including state debt) are debt obligations issued to obtain funds for various public purposes, including the construction of a wide range of facilities such as highways, housing, mass transportation, sewer, water, parks, etc.

The two principal classifications of bonds are "general obligation" and "revenue" bonds. General obligation bonds are secured by the government's pledge of its faith, credit, and taxing power for the payment of principal and interest. Risk of financial loss is borne totally by the taxpayers. Debt issued by the State government is general obligation debt.

In contrast, revenue bonds are payable only from the revenues derived for a particular facility or class of facilities, or, in some cases, from the proceeds of a special excise or other specific revenue source. In New Jersey, revenue bonds are issued by authorities.

There are four types of public purpose capital financings through borrowing which are done by the State of New Jersey or through which the State supports through annual appropriations: (1) full faith and credit or direct debt, (2) authority financing, (3) lease agreements, and (4) state aid for local educational financings. Because of their special characteristics and the difference in the extent to which the state government is liable for the related debt service, each type of debt is discussed separately. Authorities are discussed in a separate section, the other three instruments are discussed herein.

FULL FAITH AND CREDIT DEBT

The State Constitution provides that the Legislature may not create a debt (where total outstanding debt would exceed one percent of total appropriations for the year) unless a referendum is approved by a majority of the legally qualified voters. The debt must be authorized by law for a single object or work distinctly specified. The authorizing law also provides the ways and means, exclusive of loans, to pay the interest on the debt, and also to pay the principal within thirty-five years from the time it is contracted.

The individual bond acts also provide that the payment of principal and interest be made from revenue derived from one or more specific source, namely, the Motor Fuels Tax, the Emergency Transportation Taxes, the Alcoholic Beverage Tax, the Inheritance Tax, the Cigarette Tax, Corporation Business Taxes, the Sales Tax, and water supply facility revenues. In effect, the payment of principal and interest on state debt has first lien on these revenue sources.

As a further guarantee on the state bonds, the bond acts also state that in the event that funds appropriated are not sufficient or not available, a tax shall be levied on all real and personal property in the State to insure principal and interest payment on the bonds. Such a property tax has never had to be levied.

OUTSTANDING BONDED DEBT

The citizens of New Jersey have authorized $4.0 billion in bonded debt--all of which is guaranteed by the full faith and credit of the State. Of this total authorization, $2.0 billion is issued and outstanding, $1.3 billion remained unissued, and $662.0 million has been retired as of June 30, 1982. During fiscal year 1982, the State sold $300 million in bonds and retired $92.9 million in debt.

In addition, the State guarantees payments on $51.2 million in bonds of the New Jersey Highway Authority due 1982-88, and payments on $289.1 million in bonds of the New Jersey Sports and Exposition Authority due 1982-2005. At the present time, it is believed that the revenues of these authorities will be sufficient to provide for payment of debt service on their obligations without recourse to the State's guarantee.

The $640 million State Transportation Bond Issue of 1968 represents the largest single voter-approved authorization--all of the bonds have been sold. The largest single unissued bond authorization is the 1981 Water Supply Bond Issue. Of the $350 million authorized, $347 million remains unissued.

The following list is the outstanding debt of the State at the close of the last ten fiscal years. A large portion of the increase reflects State support for local capital projects, as much of the outlay has been distributed in the form of state aid in such areas as community colleges, sewer and water construction, local parks and open spaces, housing construction, vocational schools, flood control, and shore protection.

OUTSTANDING DEBT OF THE STATE— TEN YEAR TREND

AS OF JUNE 30	OUTSTANDING	AS OF JUNE 30	OUTSTANDING
1982	$2,034,445,000	1977	$1,533,220,000
1981	1,827,320,000	1976	1,360,320,000
1980	1,755,530,000	1975	1,354,635,000
1979	1,712,725,000	1974	1,265,425,000
1978	1,589,105,000	1973	1,148,490,000

LEASE AGREEMENTS

The administration of the State's office space is the responsibility of the Director, Division of Purchase and Property, Department of the Treasury. Each lease over twelve months in duration must be approved in advance by the State Treasurer; the Director, Division of Budget and Accounting; the President of the Senate; and the Speaker of the General Assembly.

As of June 30, 1982, there were 704 long-term realty lease agreements with expirations ranging to twenty-one years. These lease obligations amounted to $117.5 million and annual rental payments approximated $35.8 million.

Recent lease agreements, involving the Mercer County Improvement Authority, include financings for a tax processing building and the Justice Complex. Under the lease agreements, the State has agreed to pay the Authority an annual rental equal to the debt service on the outstanding bonds, plus payments due in lieu of real estate taxes. The lease terms coincide with the amortization of bonds whereby the last payment is made January, 2016. Upon expiration of the leases, the Authority agrees to convey to the State the Tax Processing Building without additional consideration, and the Justice Complex for the sum of one dollar. Total lease obligations as of June 30, 1982 for the Tax Building and Justice Complex are $2.7 million and $319.2 million respectively, and are subject to annual appropriation by the Legislature.

In 1981, the Governor signed into law a bill creating the New Jersey Building Authority having the power to construct facilities for leasing to the State (P.L. 1981,c.120). The law provides for leasing to the State on a basis similar to that described above. The Building Authority is authorized to have not more than $250 million of its bonds and notes outstanding.

In addition to the above, the State has entered into three agreements (1964 and 1965) whereby the Public Employees Retirement System and the Teachers' Pension and Annuity Fund has provided construction costs of $17.9 million. Under the agreements, the facilities are acquired by the pension funds and leased to the State for a period of 20 years, and at the end of the period, the State may exercise the option to purchase the facilities at a cost of one dollar for each agreement. At June 30, 1982, the remaining liability for these three agreements was $3.9 million.

STATE AID APPROPRIATIONS FOR SCHOOL FINANCINGS

Since 1968, the Legislature has passed three laws (P.L. 1968, c.177; P.L. 1971, c.10; and P.L. 1978, c.74) which provide for state support for the construction of local school facilities. These laws provide for future appropriations for debt service on a maximum principal amount of $280 million in bonded debt issued by local school districts. Individual projects are approved by the Department of Education based upon criteria established in the enabling legislation. As of June 30, 1982, the maximum amount of $280 million school district bonds has been approved by state support, pursuant to the above three laws. The amount expended in fiscal year 1982 for the support of bonds issued by school districts under these laws amounted to $17.4 million.

Also, P.L. 1971, c.12, provides that the State make payment of the debt service on up to $40 million in county college bonds. As of June 30, 1982, the State is paying the debt service on a total of $17.7 million in bonds issued by county colleges—such expenditures amounted to $1.7 million in fiscal year 1982.

In both these instances, the Legislature is not legally bound to make future appropriations, but has done so to date on all outstanding obligations issued under these laws.

FINANCIAL COMPARISONS WITH OTHER STATES AND LOCAL GOVERNMENT

Comparisons with other states indicate that New Jersey State government is at the low end of the range in terms of total expenditures as a percent of personal income. The State is also considerably below the average in number of employees. Personal income is considered a good measure of tax burden because it considers the tax paying capacity of the citizens of the State. When all levels of government in the State are considered, that is, state government, local governments, and school districts, the State is near the middle of the scale.

The data below compares New Jersey State government to other state governments, as well as to all levels of government in the State, with national and state statistics for the year 1981—the latest year of published statistics from the U.S. Department of Commerce.

- New Jersey's per capita personal income was $12,127 in 1981, which placed it third among the 50 states. The per capita personal income is $1,636, or 15.6 percent above the national average of $10,491.

- Total expenditures per $1,000 of personal income for 1981 was $104.74, which placed New Jersey thirteenth among the 50 states. The average state expenditure nationwide was $117.69.

- The number of New Jersey State government employees as of October, 1981 was 116.5 per 10,000 population, which placed the State forty-fourth in the nation, or sixth from the bottom. The U.S. average is 134 employees per 10,000 population.

- The number of public employees in the State was 490 per 10,000 population, which placed the State twenty-seventh in the nation.

- In 1981 the total number of public employees in New Jersey was approximately 362,000. Of this total, 24 percent worked in state government, 26 percent in municipalities and townships, 16 percent in county governments, 31 percent in school districts, and 2 percent in special districts.

REVENUE STATEMENTS

STATE OF NEW JERSEY
SUPPLEMENTARY REVENUE DATA
YEAR ENDED JUNE 30, 1982

The revenues collected are applied principally to one of five funds--the General Fund, the Property Tax Relief Fund, the Casino Control Fund, the Casino Revenue Fund, or the Gubernatorial Elections Fund. Revenues are recorded as either anticipated revenue or appropriated revenue. Anticipated revenue is utilized to support the appropriations in the Annual Appropriations Act. Such revenues are not available for expenditure unless specifically appropriated by the Legislature. Appropriated revenues are such monies not previously anticipated or budgeted, which upon receipt, increase appropriation balances as authorized in the Appropriations Act, and from which expenditures may be made. Most federal aid, except Indirect Cost Recovery, is recorded as appropriated revenue and represents 65 percent of all appropriated revenue. Total revenue from all sources for fiscal year 1982 amounted to $8,028 million, an increase of $583 million, or 7.8 percent over fiscal year 1981.

ANTICIPATED (BUDGETED) REVENUE

Anticipated revenues support what is normally referred to as the Governor's Budget. For fiscal year 1982, these revenues totaled $5,555 million. This compares to $5,063 million reported in 1981, and shows an increase of $492 million, or 9.7 percent. $153 million (a 13.8 percent increase) of the increase relates to proceeds from the Income Tax, which is dedicated by constitutional amendment for property tax relief, and $104 million (an 8.6 percent increase) relates to proceeds from the Sales Tax.

A description of the major categories of revenue sources within the five funds and a description of the principal taxes are discussed in the following.

GENERAL FUND

Major Taxes

The major taxes category is composed of sixteen taxes or fees which are levied within the State. The majority of the revenue is generated from the sale and use of goods and services; general business taxes, which are received from various corporations; motor vehicle fees; a public utility excise tax; and other excise taxes. These taxes amounted to $3,458 million, an increase of 7.4 percent or $238 million over fiscal year 1981. A description of the six largest sources, all raising in excess of a $100 million, are as follows.

· The Sales Tax Act imposes a tax at the rate of 5 percent on receipts from (a) retail sale, rental, or use of tangible personal property; (b) retail sale of producing, fabricating, processing, installing, maintaining, repairing, storage, and certain advertising services; (c) sales of restaurant meals; (d) rental of hotel and motel rooms; and (e) certain admission charges. Sales of food, clothing, and other specified items are exempt from collection of the tax.

· The Cigarette Tax is imposed at the rate of $.19 per package of twenty cigarettes. The tax is collected primarily from licensed distributors who receive the cigarettes directly from out-of-state manufacturers. P.L. 1982, c.40, approved June 17, 1982, added a $.05 per package surtax.

· The Motor Fuels Tax applies to sales of gasoline, diesel fuel, or liquefied petroleum gas and compressed natural gas used in motor vehicles on public highways. The tax is $.08 per gallon for gasoline and diesel fuel, and half the rate for the other gases.

· The Motor Vehicle Fees include automobile and truck registrations, drivers' licenses, and miscellaneous fees collected by the Division of Motor Vehicles.

· The Corporation Business Tax imposes a franchise tax for the privilege of having or exercising a corporate charter or doing business, employing or owning capital or property, or maintaining an office in New Jersey. The tax is applicable to every corporation not expressly exempted. The effective rate is 9 percent of net income. In addition, a net worth tax is levied on business at various rates ranging from 2/10 of a mill to 2 mills per dollar. P.L. 1982, c.54, approved June 30, 1982, begins a phase-out of the net worth tax over a period of 4 years.

· The Transfer Inheritance Tax imposes a tax on the transfer of all personal property and New Jersey real property having a value of $500 or more in estates of resident decedents, and on real property and tangible personal property on non-resident decedents located within the State of New Jersey. Rates range from 1 percent to 16 percent.

STATE OF NEW JERSEY
SUPPLEMENTARY REVENUE DATA
YEAR ENDED JUNE 30, 1982

Miscellaneous Taxes, Licenses, and other Departmental Fees

This category includes revenues received by the various state agencies. Typical items include tuition from students at the state colleges, recreation and boating fees, institutional and patient fees, investment earnings, and the like. Between fiscal year 1981 and 1982 these revenues increased from $341 million to $385 million.

Interfund Transfers

The Interfund Transfer category includes monies which were received into various bond and trust funds because of legal or statutory requirements, and then subsequently transferred into the General Fund as anticipated revenue for expenditure purposes. Included in these types of revenue are the monies received by the State Lottery, interest earned on investments of bond funds, and the monies received from taxes levied on New York residents working in New Jersey. The latter tax is commonly referred to as "Commuter Tax." These revenues totaled $322 million, an increase of $32 million, or 10.9 percent, over fiscal year 1981.

PROPERTY TAX RELIEF FUND

The Income Tax

This tax is calculated at 2 percent on the first $20,000 of taxable income and 2.5 percent on amounts in excess of $20,000. For fiscal year 1982, this tax yielded $1,259 million for property tax relief--an increase of $153 million over the prior year. All monies in the fund must be appropriated exclusively for reducing or offsetting property taxes.

CASINO REVENUE FUND

A tax of 8 percent on the gross revenue of all casinos is deposited into the Casino Revenue Fund. All monies in this fund must be used for reduction in property taxes, and utility and rental charges of eligible disabled residents and senior citizens. The total tax collected was $103 million, an increase of $31.4 million over fiscal year 1981.

CASINO CONTROL FUND

License fees for the issuance and annual renewal of casino licenses, slot machines, non-refundable deposits for each application for a license, and fees for the issuance of various work permits are deposited into the Casino Control Fund. Such revenues are used to support the operation of the Casino Control Commission and the Division of Gaming Enforcement. The total revenue collected was $29.7 million, a decrease of $4.8 million over fiscal year 1981.

GUBERNATORIAL ELECTIONS FUND

A taxpayer can voluntarily indicate that $1 of his income tax can be set aside into this special fund. Such monies are used to finance a portion of the expenses of gubernatorial primary and general elections. Total payments to this fund were $1.8 million in fiscal year 1982.

APPROPRIATED REVENUE

All appropriated revenue is deposited into the General Fund. These revenues include most of the federal aid received by the State, except for General Revenue Sharing, and certain revenues collected by the State and directly utilized by either a state agency or disbursed to a local government for a specific purpose enacted by statute. Federal aid totaled $1,615 million in fiscal year 1982, which is approximately the same amount received in fiscal year 1981. Of the $1,615 million, the Department of Human Services received $1,017 million or 63 percent for such programs as Aid for Dependent Children, social services, and low income energy assistance. The Department of Education received $227 million or 14 percent of the total for such programs as child nutrition, disadvantaged and handicapped children, and vocational education. The Department of Labor received $134 million, or 8 percent of the total for various work programs, employment services, and vocational rehabilitation services. The Department of Transportation received $60 million, or 4 percent of the total for various highway construction, airport, electrical, and traffic control projects.

Some of the kinds of state appropriated revenue received by departments and agencies for specific purposes include: Second Injury Workers' Compensation Insurance Tax, certain corporation taxes from banks (which are disbursed to local governments), revenue from sale of water at state reservoirs, and auxiliary services and extension program income at the state colleges.

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
MAJOR TAXES					
Sales	$ 1,285,000,000	$ 1,304,720,472	102	--	$ 19,720,472
Alcoholic beverage wholesale sales	70,000,000	75,135,697	107	--	5,135,697
Corporation business	865,000,000	837,786,120	97	27,213,880	--
Motor fuels	270,000,000	280,757,149	104	--	10,757,149
Motor vehicle fees	275,312,000	265,509,201	96	9,802,799	--
Cigarette	179,500,000	177,445,227	99	2,054,773	--
Transfer inheritance	132,000,000	126,763,121	96	5,236,879	--
Insurance premiums	119,000,000	108,253,546	91	10,746,454	--
Business personal property	58,000,000	58,421,857	101	--	421,857
Public Utility	97,000,000	95,279,980	98	1,720,020	--
Alcoholic beverage	62,000,000	59,116,343	95	2,883,657	--
Realty transfer	18,000,000	16,736,334	93	1,263,666	--
Corporation business-Banks and financial institutions	24,000,000	31,053,859	129	--	7,053,859
Pari-mutuel	16,000,000	13,774,408	86	2,225,592	--
Motor fuel use	7,000,000	6,999,004	100	996	--
Savings institutions	2,000,000	128,190	6	1,871,810	--
TOTAL MAJOR TAXES	$ 3,479,812,000	$ 3,457,880,508	99	$ 65,020,526	$ 43,089,034
MISCELLANEOUS TAXES, FEES, REVENUES					
Department of Agriculture:					
Animal plant disease and pest control fees	93,290	77,585	83	15,705	--
Fertilizer inspection fees	143,700	138,683	97	5,017	--
Milk control licenses and fees	190,000	296,463	156	--	106,463
Total Department of Agriculture	426,990	512,731	120	20,722	106,463
Department of Banking:					
Bank assessments	1,353,240	1,310,832	97	42,408	--
Examining and other fees	2,860,987	2,595,892	91	265,095	--
New Jersey Cemetery Board fees	81,400	86,804	107	--	5,404
Total Department of Banking	4,295,627	3,993,528	93	307,503	5,404

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Department of Community Affairs:					
Boarding home fees	$ 150,000	$ 106,946	71	$ 43,054	$ --
Construction fees	1,207,600	437,434	36	770,166	--
Housing inspection fees	2,401,039	1,476,627	61	924,412	--
Local government services	117,600	111,415	95	6,185	--
Planned real estate development fees	130,000	130,000	100	--	--
Total Department of Community Affairs	4,006,239	2,262,422	56	1,743,817	--
Department of Education:					
Katzenbach School for the Deaf - Tuition	2,315,250	2,315,250	100	--	--
Licensing fees - Miscellaneous	140,800	124,573	88	16,227	--
Non-public schools textbook recoveries	120,000	254,354	212	--	134,354
State Board of Examiners fees	450,000	455,000	101	--	5,000
Total Department of Education	3,026,050	3,149,177	104	16,227	139,354
Department of Energy:					
Assessments - Cable TV	496,736	480,457	97	16,279	--
Assessments - Public Utility	8,803,470	8,845,322	100	--	41,852
Other revenue	100,000	129,686	130	--	29,686
Total Department of Energy	9,400,206	9,455,465	101	16,279	71,538
Department of Environmental Protection:					
Air pollution fees	400,000	281,258	70	118,742	--
Delaware and Raritan Canal, Water sales	1,260,000	910,000	72	350,000	--
Examination licensing program	39,100	35,775	91	3,325	--
Excess water diversion fees	220,400	216	--	220,184	--
Forest Management sales	41,843	42,045	100	--	202
Hunters' and Anglers' License Fund	4,345,211	4,348,645	100	--	3,434
Marinas	445,000	446,571	100	--	1,571
Marine Land Management - Delineation and title determination	857,000	857,000	100	--	--
Marine Lands Management - Miscellaneous	20,000	14,590	73	5,410	--
Morris Canal Fund	48,000	48,000	100	--	--
New Jersey Pilot Commissioners' fees	40,400	40,400	100	--	--
Parks management	2,040,000	2,181,700	107	--	141,700
Pesticide control	90,000	88,905	99	1,095	--
Radiation protection	475,000	279,867	59	195,133	--
Recreational Boating	--	3,835	--	--	3,835

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Round Valley and Spruce Run, water sales	$ 850,000	$ 640,030	75	$ 209,970	$ --
Shell fisheries	311,625	258,895	83	52,730	--
Solid waste management fees	638,000	603,073	95	34,927	--
Water pollution fees	30,000	49,775	166	--	19,775
Total Department of Environmental Protection	12,151,579	11,129,580	92	1,191,516	169,517
Department of Health:					
General revenues - Licenses and fees	929,210	995,061	107	--	65,851
Total Department of Health	929,210	995,061	107	--	65,851
Department of Higher Education:					
Agricultural Experiment Station - fees	10,000	--	--	10,000	--
Bond interest recoveries	360,472	358,478	99	1,994	--
School of Conservation	390,000	390,000	100	--	--
Thomas A. Edison College					
Tuition - Regular	309,000	269,754	87	39,246	--
Glassboro State College					
Miscellaneous institutional support	40,000	86,264	216	--	46,264
Other student fees	96,000	96,088	100	--	88
Tuition - Regular	5,910,027	6,025,434	102	--	115,407
Jersey City State College					
Miscellaneous institutional support	26,000	23,770	91	2,230	--
Other student fees	70,000	54,794	78	15,206	--
Tuition - Regular	4,800,922	4,320,962	90	479,960	--
Rean College of New Jersey					
Miscellaneous institutional support	70,000	283,180	405	--	213,180
Other student fees	102,000	100,646	99	1,354	--
Tuition - Regular	6,691,675	6,379,475	95	312,200	--
William Paterson College					
Miscellaneous institutional support	75,000	140,703	188	--	65,703
Other student fees	107,400	107,781	100	--	381
Tuition - Regular	6,718,000	6,133,292	91	584,708	--
Montclair State College					
Miscellaneous institutional support	75,000	101,538	135	--	26,538
Other student fees	152,000	131,049	86	20,951	--
Tuition - Regular	8,199,376	8,199,376	100	--	--

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Trenton State College					
Miscellaneous institutional support	$ 10,000	$ 10,767	108	$ --	$ 767
Other student fees	120,458	120,542	100	--	84
Tuition - Regular	5,682,000	5,430,107	96	251,893	--
Ramapo College of New Jersey					
Miscellaneous institutional support	5,000	81,199	--	--	76,199
Other student fees	25,200	21,070	84	4,130	--
Tuition - Regular	2,390,000	2,456,238	103	--	66,238
New Jersey Education Computer Network	--	387	--	--	387
Richard Stockton State College					
Miscellaneous institutional support	16,000	32,823	205	--	16,823
Other student fees	37,800	43,010	114	--	5,210
Tuition - Regular	2,992,000	2,973,338	99	19,062	--
Total Department of Higher Education	45,481,330	44,371,665	98	1,742,934	633,269
Department of Human Services:					
Adoption law fees	175,000	138,735	79	36,265	--
Patients and residents recoveries:					
Institutions for the retarded:					
Edward R. Johnstone Training and Research Center	1,000,000	1,508,695	151	--	508,695
Green Brook Regional Center	--	517,296	--	--	517,296
Hunterdon State School	6,500,000	8,019,811	123	--	1,519,811
New Jersey Neuropsychiatric Institute	5,000,000	5,387,432	108	--	387,432
New Lisbon State School	4,500,000	5,162,787	115	--	662,787
North Jersey Training School at Totowa	4,500,000	5,798,821	129	--	1,298,821
Vineland State School	9,250,000	12,904,776	140	--	3,654,776
Woodbine State School	5,500,000	6,003,965	109	--	503,965
Woodbridge State School	7,750,000	6,669,851	86	1,080,149	--
Psychiatric hospitals:					
Ancora Psychiatric Hospital	15,100,000	10,160,410	67	4,939,590	--
Arthur Brisbane Child Center at Allaire	330,000	373,203	113	--	43,203
Glen Gardner Center for Geriatrics	2,225,000	2,830,981	127	--	605,981
Greystone Park Psychiatric Hospital	12,930,000	11,697,809	90	1,232,191	--
Marlboro Psychiatric Hospital	11,835,000	11,130,879	94	704,121	--
Trenton Psychiatric Hospital	11,580,000	11,799,684	102	--	219,684
Soldiers' Homes:					
Menlo Park	2,147,095	2,158,942	101	--	11,847
Vineland	1,778,124	1,828,417	103	--	50,293
Special residential services	7,000,000	6,951,257	99	48,743	--
Total Department of Human Services	109,100,219	111,043,751	102	8,041,059	9,984,591

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Department of Insurance:					
Actuarial services	$ 730,280	$ 739,209	101	$ --	$ 8,929
Fees for services	63,240	99	--	63,141	--
Licensing and enforcement	3,152,200	2,756,903	87	395,297	--
Real estate commission	1,489,000	1,480,968	99	8,032	--
Total Department of Insurance	5,434,720	4,977,179	92	466,470	8,929
Department of Labor:					
General revenues - Licenses and fees	772,000	673,460	87	98,540	--
Special Compensation Fund	704,084	754,081	107	--	49,997
Total Department of Labor	1,476,084	1,427,541	97	98,540	49,997
Department of Law and Public Safety:					
Amusement games control fees	107,750	150,597	140	--	42,847
Beverage licenses	3,000,000	3,193,159	106	--	193,159
Bus Excise Tax	215,560	257,226	119	--	41,666
Division of Consumer Affairs:					
General revenues:					
Athletic Commission	200,000	368,251	184	--	168,251
Bureau of Securities	550,000	698,710	127	--	148,710
Consumer fines	75,000	26,217	35	48,783	--
Legalized Games of Chance Control	440,000	424,786	97	15,214	--
Private Employment Agencies	185,000	236,318	128	--	51,318
Weights and Measures - General	120,000	161,088	134	--	41,088
Professional examining board fees:					
State Board of Architects	128,180	128,180	100	--	--
State Board of Barber Examiners	107,445	121,095	113	--	13,650
State Board of Beauty Culture	367,167	406,732	111	--	39,565
State Board of Certified Public Accountants	287,676	287,676	100	--	--
State Board of Dentistry	200,959	200,959	100	--	--
State Board of Electrical Contractors	210,184	210,184	100	--	--
State Board of Examiners of Master Plumbers	186,302	186,302	100	--	--
State Board of Examiners of Ophthalmic Dispensers and Ophthalmic Technicians	58,129	58,129	100	--	--
State Board of Marriage Counselor Examiners	29,914	29,914	100	--	--
State Board of Medical Examiners	672,665	672,665	100	--	--
State Board of Mortuary Science	117,031	117,031	100	--	--
State Board of Nursing	662,883	662,883	100	--	--
State Board of Optometrists	79,424	79,424	100	--	--
State Board of Pharmacy	217,774	217,774	100	--	--
State Board of Professional Engineers and Land Surveyors	231,334	231,334	100	--	--

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Division of Consumer Affairs (continued):					
Professional examining board fees:	$ 94,116	$ 94,116	100	$ --	$ --
State Board of Professional Planners	54,081	54,081	100	--	--
State Board of Psychological Examiners	13,064	13,064	100	--	--
State Board of Shorthand Reporting	30,574	30,574	100	--	--
State Board of Veterinary Medical Examiners	585,800	703,705	120	--	117,905
Division of State Police					
Motor Vehicle Security Responsibility	2,884,247	2,884,796	100	--	549
Law Administration	1,700,000	1,796,401	106	--	96,401
Pleasure boat licenses	35,620	29,253	82	6,367	--
Other boating fees					
Total Department of Law and Public Safety	13,847,879	14,732,624	106	70,364	955,109
Department of State:					
Commissions	300,000	309,725	103	--	9,725
General revenues - Fees	5,385,000	5,558,263	103	--	173,263
Uniform Commercial Code - Fees	958,000	986,178	103	--	28,178
Total Department of State	6,643,000	6,854,166	103	--	211,166
Department of Transportation:					
Applications and highway permits	485,000	1,006,119	207	--	521,119
Division of Aeronautics	96,900	53,283	55	43,617	--
Outdoor advertising	228,500	234,616	103	--	6,116
Total Department of Transportation	810,400	1,294,018	160	43,617	527,235
Department of the Treasury:					
Coin operated telephones	75,000	63,203	84	11,797	--
Escheats, Personal Property (14 year law)	200,000	231,159	116	--	31,159
Interest on deposits	2,200,000	598,749	27	1,601,251	--
Investment earnings	7,500,000	7,255,997	97	244,003	--
Municipal purposes tax assistance fund	30,500,000	32,190,576	106	--	1,690,576
New Jersey Sports and Exposition Authority	10,000,000	10,000,000	100	--	--
Public Utility Taxes - Administration	144,000	169,048	117	--	25,048
Public Utility Gross Receipts and Franchise Taxes	16,000,000	20,000,000	125	--	4,000,000
Public Utiltiy Radiation Response Assessment	--	600,000	--	--	600,000
Railroad Tax - Class II	3,000,000	205,220	7	2,794,780	--
Railroad Tax - Franchise	40,000	100,634	252	--	60,634
Vending machine commission	120,000	149,943	125	--	29,943
Total Department of the Treasury	69,779,000	71,564,529	103	4,651,831	6,437,360

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Miscellaneous Executive Commissions:					
Delaware River Joint Toll Bridge Commission Pennsylvania Share	$ 928,985	$ 1,047,506	113	$ --	$ 118,521
Total Miscellaneous Executive Commissions	928,985	1,047,506	113	--	118,521
Other Sources:					
Miscellaneous revenue	500,000	1,842,152	368	--	1,342,152
Total Other Sources	500,000	1,842,152	368	--	1,342,152
Inter-Departmental Accounts:					
Administration and investment of pension and social security funds	6,500,000	9,529,648	147	--	3,029,648
Employee maintenance deductions	786,295	1,213,021	154	--	426,726
Health benefits contribution reimbursement from special funds	15,000,000	10,567,860	70	4,432,140	--
Indirect cost recovery - Federal	8,440,000	8,996,239	107	--	556,239
Judicial Retirement System reimbursements	1,150,000	876,762	76	273,238	--
Other fringe benefit reimbursement from special funds	1,800,000	1,132,147	63	667,853	--
Pension contribution reimbursement from special funds	21,777,000	19,384,961	89	2,392,039	--
Public employer's contribution reimbursement	7,600,000	9,913,408	130	--	2,313,408
Reimbursement from Rutgers - Employers's share of employees'benefits	4,370,000	3,467,783	79	902,217	--
Rent of State building space	900,000	1,107,095	123	--	207,095
Social security contribution reimbursement from special funds	17,731,000	14,133,856	80	3,597,144	--
Total Inter-Departmental Accounts	86,054,295	80,322,780	93	12,264,631	6,533,116
The Judiciary:					
Court fees	1,116,832	2,898,238	260	--	1,781,406
Division of Tax Appeals - Fees	10,382,000	11,499,562	111	--	1,117,562
Total The Judiciary	11,498,832	14,397,800	125	--	2,898,968
TOTAL MISCELLANEOUS TAXES, FEES, REVENUES	385,790,645	385,373,675	100	30,675,510	30,258,540

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	REALIZED TO JUNE 30, 1982 PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
INTERFUND TRANSFERS					
Beaches and Harbor Fund	$ 850,000	$ 1,358,705	160	$ --	$ 508,705
Cash Management Fund	--	500,000	--	--	500,000
Clean Waters Fund	2,000,000	3,095,247	155	--	1,095,247
1837 Surplus Revenue Fund	60,000	--	--	60,000	--
Emergency Flood Control Fund	1,750,000	1,105,313	63	644,687	--
Energy Conservation Fund	800,000	1,463,194	183	--	663,194
Higher Education Assistance Fund	--	1,556,745	--	--	1,556,745
Higher Education Buildings Construction Fund (Act of 1971)	150,000	426,365	284	--	276,365
Housing Assistance Fund	2,500	3,030	121	--	530
Institutional Construction Fund 1978	2,250,000	1,032,043	46	1,217,957	--
Institutions Construction Fund	1,250,000	700,802	56	549,198	--
Medical Education Facilities Fund	1,000,000	604,992	61	395,008	--
Mortgage Assistance Fund	246,755	431,795	175	--	185,040
Motor Vehicle Security-Responsibility Fund	70,000	63,114	90	6,886	--
Natural Resources Fund	1,500,000	2,551,450	170	--	1,051,450
New Jersey Spill Compensation Fund	1,000,000	1,000,000	100	--	--
Outstanding Checks Account	300,000	668,884	223	--	368,884
Public Building Construction Fund	95,000	596,047	627	--	501,047
Public Purpose Buildings Construction Fund	650,000	2,069,961	318	--	1,419,961
School Fund	3,100,000	3,783,404	122	--	683,404
Special Railroad Deposits	1,300	1,867	144	--	567
State Disability Benefits Funds	5,481,502	5,481,502	100	--	--
State 1964 Institutional Construction Fund	--	5,725	--	--	5,725
State Land Acquisition and Development Fund	1,000,000	2,770,862	277	--	1,770,862
State Lottery Fund	173,000,000	220,297,110	127	--	47,297,110
State Recreation and Conservation Land Acquisition and Development Fund (Act of 1974)	2,000,000	2,177,278	109	--	177,278
State Recreation and Conservation Land Acquisition Fund (Act of 1971)	500,000	673,627	135	--	173,627
State Transportation Fund	2,000,000	3,740,320	187	--	1,740,320
State Water Development Fund	72,000	146,179	203	--	74,179
Transportation Fund	44,000,000	46,155,127	105	--	2,155,127
Transportation Rehabilitation and Improvement Fund of 1979	7,500,000	5,941,916	79	1,558,084	--
Unclaimed Bank Deposits Escheat Reserve Fund	300,000	1,739,432	580	--	1,439,432
Unclaimed Domestic Life Insurance Escheat Reserve Fund	330,000	506,688	154	--	176,688

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Unclaimed Personal Property Trust Fund	$ 2,000,000	$ 1,912,568	96	$ 87,432	$ --
Unemployment Compensation Auxiliary Fund	4,165,213	4,165,213	100	--	--
Unsatisfied Claim and Judgement Fund	290,478	290,478	100	--	--
Water Conservation Fund	1,800,000	3,528,633	196	--	1,728,633
Water Supply Fund	--	68,362	--	--	68,362
TOTAL INTERFUND TRANSFERS	261,514,748	322,613,978	123	4,519,252	65,618,482
TOTAL GENERAL FUND	$ 4,127,117,393	$ 4,165,868,161	101	$ 100,215,288	$ 138,966,056

STATE OF NEW JERSEY
PROPERTY TAX RELIEF FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	REALIZED TO JUNE 30, 1982 PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Gross Income Tax	$ 1,245,000,000	$ 1,259,038,804	101	$ --	$ 14,038,804
TOTAL PROPERTY TAX RELIEF FUND	$ 1,245,000,000	$ 1,259,038,804	101	$ --	$ 14,038,804

STATE OF NEW JERSEY
GUBERNATORIAL ELECTIONS FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	REALIZED TO JUNE 30, 1982 PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Taxpayers' Designations	$ 1,500,000	$ 1,790,199	119	$ --	$ 290,199
TOTAL GUBERNATORIAL ELECTIONS FUND	$ 1,500,000	$ 1,790,199	119	$ --	$ 290,199

STATE OF NEW JERSEY
CASINO CONTROL FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE (Continued)
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30,1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Licenses and fees	$ 29,964,865	$ 25,697,460	86	$ 4,267,405	$ --
TOTAL CASINO CONTROL FUND	$ 29,964,865	$ 25,697,460	86	$ 4,267,405	$ --

STATE OF NEW JERSEY
CASINO REVENUE FUND
STATEMENT OF FISCAL YEAR 1982 ANTICIPATED REVENUE
YEAR ENDED JUNE 30, 1982

	ANTICIPATED TO JUNE 30, 1982	REALIZED TO JUNE 30, 1982 AMOUNT	PER CENT	REALIZATION UNDER ANTICIPATION	REALIZATION OVER ANTICIPATION
Gross Revenue Tax	$ 104,000,000	$ 102,875,313	99	$ 1,124,687	$ --
Investment Income	--	596,517	--	--	596,517
TOTAL CASINO REVENUE FUND	$ 104,000,000	$ 103,471,830	99	$ 1,124,687	$ 596,517

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATED REVENUE
YEAR ENDED JUNE 30, 1982

	STATE	FEDERAL	OTHER	TOTAL
EXECUTIVE BRANCH:				
Chief Executive's Office	$ --	$ 171,571	$ --	$ 171,571
Agriculture	--	507,760	10,079,255	10,587,015
Banking	32,950	--	--	32,950
Civil Service	172,869	384,422	--	557,291
Commerce and Economic Development	1,250,000	43,279	64,317	1,357,596
Community Affairs	452,207	42,896,823	6,333,513	49,682,543
Corrections	10,000	132,892	13,017,993	13,160,885
Defense	365,257	3,010,439	--	3,375,696
Education	125,031	226,672,845	3,954,613	230,752,489
Energy	198,221	2,942,978	3,127,378	6,268,577
Environmental Protection	6,203,240	23,550,017	10,952,888	40,706,145
Health	1,913,724	47,517,417	3,529,781	52,960,922
Higher Education	4,276,197	27,866,892	22,238,128	54,381,217
Human Services	2,860,871	1,016,596,076	47,748,092	1,067,205,039
Insurance	17,262	--	--	17,262
Labor	2,925,693	134,508,149	21,923,506	159,357,348
Law and Public Safety	17,084,829	27,495,927	10,981,939	55,562,695
Public Advocate	230,416	290,428	2,746,737	3,267,581
State	270,328	--	--	270,328
Transportation	880,918	60,097,800	14,736,878	75,715,596
Treasury	604,421	--	625,881,738	626,486,159
Inter-Departmental Accounts	551,148	--	19,239,949	19,791,097
TOTAL EXECUTIVE BRANCH	$ 40,425,582	$ 1,614,685,715	$ 816,556,705	$ 2,471,668,002
JUDICIAL BRANCH	315,434	134,760	--	450,194
TOTAL APPROPRIATED REVENUE	$ 40,741,016	$ 1,614,820,475	$ 816,556,705	$ 2,472,118,196

EXPENDITURE STATEMENTS

STATE OF NEW JERSEY
SUPPLEMENTARY EXPENDITURE DATA
YEAR ENDED JUNE 30, 1982

Expenditures are made against authorized appropriations specifically identified in the Annual Appropriations Act or subsequent supplemental appropriations. The term, expenditures, is commonly defined as "budgetary expenditures" and includes not only actual disbursements, but also encumbrances. These expenditures are associated with the annual State Budget. The State, however, also makes expenditures against "other authorized appropriations." These appropriations include federal aid and certain receipts known as appropriated revenue. In addition, provisions in the Appropriations Act permit the carryforward of unexpended balances of prior appropriations.

Total expenditures in the General Fund in fiscal year 1982 were $6,761.7 million, an increase of $305.5 million over fiscal year 1981. General Fund expenditures associated with the 1982 Annual Appropriations Act amounted to $4,303.4 million, an increase of $217.9 million or 5.3 percent over fiscal year 1981. In addition, expenditures from the Property Tax Relief Fund amounted to $1,287.7 million, and expenditures from the Casino Revenue Fund amounted to $130.8 million. The grand total of expenditures in fiscal year 1982 amounted to $8.2 billion, an increase of $608 million or 8.0 percent over fiscal year 1981.

Expenditures are made in four broad categories: State aid, direct state services, capital construction, and debt service. A summary of expenditures by these categories, supported by state tax revenue, follows:

STATE AID TO LOCAL GOVERNMENTS

State aid was the largest expenditure of the state budget. State aid pertains to those expenditures paid by the State to a local government or non-profit agency to help finance activities which are the responsibility of the local unit. Most state aid expenditures are based upon statutory formula. In fiscal year 1982, over 58 percent of the State's expenditures consisted of funds which were distributed to homeowners, municipalities, counties, school districts, and for the non-federal share of the Medicaid program. The total dollars expended for state aid was $3,308.7 million.

The largest state aid expenditure, $1,803.2 million, was provided for local elementary and secondary education programs. Of this amount, $936.4 million was provided as equalization aid to each school district by formula based upon the number of students and the ability of the school district to raise taxes from its own base. In addition, the State provided $137.8 million for special education programs for mentally retarded, visually handicapped, and other children with special needs.

A compensatory education program ($59.5 million) was also funded for those children needing to improve basic skills such as mathematics, reading, etc. The State also expended $414.7 million on behalf of local governments as the employer share of the Teachers' Pension and Benefits programs, and $107.3 million to pay 90 percent of all approved pupil transportation costs. Additional state aid provided for a portion of the cost of building construction, school lunches, vocational education, adult and continuing education, and local library aid. The State supported 40.1 percent of the total school district expenditures in fiscal year 1982.

State aid expenditures by the Treasury Department totaled $606.5 million in fiscal year 1982. The principal programs funded were homestead rebates to homeowners to provide property tax relief ($286.4 million), the cost of senior citizens' and veterans' property tax deductions ($49.8 million), revenue sharing to municipalities to reduce property taxes ($50.2 million), payment of a portion of the public utilities taxes to qualifying municipalities ($30.5 million), replacement revenues for taxes previously paid by railroads ($3.9 million), taxes previously paid on business personal property ($158.7 million), and in lieu of tax payments ($12.9 million).

A total of $714.1 million was expended for state aid programs administered by the Department of Human Services. Of that amount, $390.8 million was expended as the State's share of Medicaid, which provides hospital, nursing home, medical, and pharmicist services for those people eligible for a variety of welfare programs. In addition, $250.1 million was expended for welfare programs, $35.7 million for community mental health services, and $31.5 million for youth and family child care services.

Other expenditures of state aid in fiscal year 1982 included aid to county colleges ($58.1 million), municipal aid to eligible urban communities to maintain and upgrade municipal services ($39.1 million), and county welfare equalization aid ($15.0 million).

DIRECT STATE SERVICES

The second largest portion of expenditures in fiscal year 1982 was applied to Direct State Services programs, under the direct responsibility of the State government's twenty departments, the Executive Office, several Commissions, the Legislature, and the Judiciary. In fiscal year 1982, expenditures for Direct State Services totaled $2,200.1 million and represented approximately 38 percent of expenditures. Some of the major expenditures for Direct State Services during fiscal year 1982 are described as follows.

STATE OF NEW JERSEY
SUPPLEMENTARY EXPENDITURE DATA
YEAR ENDED JUNE 30, 1982

A total of $475.3 million was expended by the Department of Higher Education for the support of the state colleges, Rutgers, the State University, the New Jersey Institute of Technology, and the University of Medicine and Dentistry of New Jersey.

A total of $459.3 million was expended for programs administered by the Department of Human Services. Expenditures were made to provide support for day care centers, homemaker services, child abuse prevention, juvenile reform programs, and mental health and mental retardation programs including the operation of seven psychiatric institutions and seven schools for the retarded. $45.3 million was expended on the Pharmaceutical Assistance Program to the Aged.

A total of $284.9 million was expended by the Departments of Law and Public Safety, and Corrections. Among the programs supported by this expenditure were the administration of the State's fourteen correctional facilities and parole activities, the registration and regulation of motor vehicles and licensed drivers, and the investigative and enforcement activities of the State Police.

A total of $196.3 million was expended by the Department of Transportation for the various programs it administers, such as the maintenance and improvement of the State's highway system of 10,619 lane miles, and operating subsidies for railroads and bus companies.

A total of $64.8 million was expended for community development and environmental protection programs, principally for the protection of air, land, forest, wild life, shellfish resources, and for the provision of outdoor recreational facilities.

DEBT SERVICE

The primary method of state financing of capital projects is through the sale of general obligation bonds of the State of New Jersey. These bonds are backed by the full faith and credit of the State. State tax revenues are pledged to meet the principal and interest payments required to fully pay the debt. When the State sells bonds, it commits itself to repay the borrowed amount in full and with interest. Debt Service refers to these annual principal and interest payments. The total of principal and interest paid in fiscal year 1982 was $185.6 million, as compared to $173 million in fiscal year 1981. Debt Service represents 3.2 percent of the total state expenditures.

CAPITAL CONSTRUCTION

In 1982, $60.7 million, or one percent of the State budget, was expended for Capital Construction. This compares to $58.9 million expended in 1981. Monies expended for Capital Construction represent the State's effort on a pay-as-you-go basis as contrasted to issuing bonds.

The largest pay-as-you-go capital expenditure was in the area of highway construction ($47.7 million). These monies include federal funds which were matched by state funds for highway construction under one of several federal programs, namely, Interstate Highway Projects, Urban Highway Projects, Rural Highway Projects, and Highway Safety Projects. Other capital monies were used to finance highway projects which were not eligible for federal highway aid. Most of the remaining capital expenditures were for renovations and improvements at state institutions, state colleges and universities.

Capital expenditures are subject to the review and recommendation of the New Jersey Commission on Capital Budgeting and Planning. This permanent Commission was established in November, 1975, and is charged with the preparation of the State Capital Improvement Plan, which contains proposals for state spending for capital projects. The Capital Improvement Plan must be submitted to the Governor and the Legislature by December 1 of each year. The recommendations for capital expenditures from both the General Fund and the bond fund accounts made by the Commission to the Governor and Legislature are recognized in the annual State Budget.

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
DIRECT STATE SERVICES						
LEGISLATIVE BRANCH	$ 18,379,453	$ 2,374,591	$ 17,761,542	$ 101,227	$ 399,032	$ 2,492,143
EXECUTIVE BRANCH:						
Chief Executive's Office	1,709,764	404,177	2,045,464	--	48,432	20,045
Agriculture	5,335,385	391,955	5,447,043	45,958	214,154	19,185
Banking	4,142,088	314,081	3,938,530	168,248	101,403	48,089
Civil Service	10,838,977	1,034,364	11,536,920	16,445	267,961	52,014
Commerce and Economic Development	3,151,724	2,743,983	4,636,915	144,868	738,685	375,239
Community Affairs	12,731,943	1,165,894	13,859,596	71,215	399,723	567,305
Corrections	129,730,064	7,472,749	123,386,075	51,206	6,559,730	7,205,802
Defense	7,651,235	784,679	7,529,851	54,331	693,187	139,765
Education	30,474,011	2,796,444	10,665,300	328,185	1,325,269	949,701
Energy	12,384,238	1,304,405	12,610,907	26,936	339,739	711,041
Environmental Protection	43,618,080	11,105,953	46,015,599	782,081	5,516,280	7,869,973
Health	28,132,426	3,881,389	28,241,333	240,760	2,280,127	1,251,795
Higher Education	454,255,853	29,642,373	468,542,369	5,073,254	6,752,076	3,530,527
Human Services	387,514,778	34,408,934	404,770,518	2,634,104	11,876,305	7,642,785
Insurance	5,475,170	257,267	5,416,217	159,254	162,896	4,070
Labor	25,020,793	5,999,826	30,132,085	372,208	346,777	169,549
Law and Public Safety	132,267,025	35,011,006	150,661,487	242,736	4,043,962	9,329,956
Public Advocate	20,502,291	3,020,080	23,373,119	1,786	85,658	61,808
State	5,741,059	780,099	5,748,787	101,321	304,540	366,510
Transportation	195,801,003	10,097,606	188,296,463	650,631	8,024,580	8,926,935
Treasury	67,149,558	8,905,194	73,298,715	350,575	2,133,441	562,041
Miscellaneous Executive Commissions	2,595,670	490,309	2,804,237	76,704	115,954	289,084
Inter-Departmental Accounts	435,002,572	(63,759,508)	353,815,664	7,355,790	8,446,783	1,624,827
TOTAL EXECUTIVE BRANCH	2,021,225,727	88,231,458	1,995,793,872	18,638,406	60,736,887	34,288,020
JUDICIAL BRANCH	35,867,109	2,058,480	36,338,961	59,657	1,100,744	426,227
TOTAL DIRECT STATE SERVICES	$ 2,075,472,289	$ 92,614,529	$ 2,049,894,275	$ 18,799,290	$ 62,236,663	$ 37,156,590

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
STATE AID						
EXECUTIVE BRANCH:						
Commerce and Economic Development	$ 713,816	$ --	$ 535,362	$ --	$ 178,454	$ --
Community Affairs	89,021,794	1,060,405	86,383,378	15,851	1,832,970	1,850,000
Education	841,097,591	1,888,078	828,972,287	2,300,121	4,177,076	7,536,185
Environmental Protection	4,894,519	1,199,554	3,375,992	75,206	1,083,515	1,559,361
Health	11,367,839	464,161	9,978,447	202,712	1,650,841	--
Higher Education	68,122,832	798,588	67,126,326	--	--	1,795,094
Human Services	732,313,163	(16,261,983)	631,348,342	604,818	82,747,931	1,350,089
Law and Public Safety	1,053,135	60,740	1,033,283	73,646	6,946	--
Transportation	3,479,831	12,751,873	2,223,175	--	9,598,394	4,410,135
Treasury	212,989,249	(173,452)	212,636,629	140,963	38,205	--
TOTAL EXECUTIVE BRANCH	1,965,053,769	1,787,964	1,843,613,221	3,413,317	101,314,329	18,500,866
TOTAL STATE AID	$ 1,965,053,769	$ 1,787,964	$ 1,843,613,221	$ 3,413,317	$ 101,314,329	$ 18,500,866

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
CAPITAL CONSTRUCTION						
LEGISLATIVE BRANCH	$ --	$ 1,314,164	$ 60,302	$ --	$ 941,435	$ 312,227
EXECUTIVE BRANCH:						
Agriculture	--	9,353	--	--	--	9,353
Civil Service	--	125	--	--	--	125
Corrections	--	2,124,902	774,485	--	236,956	1,113,461
Defense	550,000	273,680	384,765	--	296,094	142,821
Education	2,042,000	569,825	1,434,107	--	569,253	608,465
Energy	400,000	80,217	256,050	--	156,437	67,730
Environmental Protection	600,000	1,519,113	897,189	--	406,839	815,085
Health	400,000	252,197	401,220	--	19,619	231,358
Higher Education	2,000,000	2,522,774	1,530,300	--	620,206	2,372,268
Human Services	--	4,108,535	204,853	--	372,500	3,531,182
Law and Public Safety	304,000	870,790	182,286	--	157,107	835,397
Transportation	26,923,189	53,396,896	26,962,418	--	20,762,025	32,595,642
Treasury	5,887,000	11,229,085	1,819,474	--	1,264,452	14,032,159
Miscellaneous Executive Commissions	2,000	183,555	2,000	--	--	183,555
TOTAL EXECUTIVE BRANCH	39,108,189	77,131,047	34,849,147	--	24,861,488	56,528,601
TOTAL CAPITAL CONSTRUCTION	$ 39,108,189	$ 78,445,211	$ 34,909,649	$ --	$ 25,802,923	$ 56,840,828

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
DEBT SERVICE						
EXECUTIVE BRANCH:						
Community Affairs	$ 2,815,290	$ (1,344,975)	$ 1,470,315	$ --	$ --	$ --
Corrections	6,371,320	1,824,217	8,195,537	--	--	--
Education	6,135,938	(23,494)	6,112,444	--	--	--
Energy	565,907	867,657	1,433,564	--	--	--
Environmental Protection	54,506,589	1,725,238	56,231,826	1	--	--
Health	152,867	(64,607)	88,260	--	--	--
Higher Education	41,634,255	(5,249,871)	36,384,384	--	--	--
Human Services	13,063,846	2,486,328	15,550,174	--	--	--
Law and Public Safety	101,812	123,175	224,987	--	--	--
Transportation	60,280,284	(343,668)	59,936,615	1	--	--
TOTAL EXECUTIVE BRANCH	185,628,108	--	185,628,106	2	--	--
TOTAL DEBT SERVICE	$ 185,628,108	$ --	$ 185,628,106	$ 2	$ --	$ --

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
FEDERAL						
EXECUTIVE BRANCH:						
Chief Executive's Office	$ --	$ 245,804	$ 182,072	$ --	$ 10,838	$ 52,894
Agriculture	--	741,477	502,714	--	39,972	198,791
Civil Service	--	966,809	767,492	--	64,257	135,060
Commerce and Economic Development	--	63,408	63,291	--	--	117
Community Affairs	--	47,159,373	34,528,060	--	10,848,386	1,782,927
Corrections	--	2,933,200	2,821,172	--	80,751	31,277
Defense	--	3,019,952	2,597,164	--	418,499	4,289
Education	--	230,532,349	216,162,443	--	8,230,657	6,139,249
Energy	--	2,642,782	2,114,569	--	440,645	87,568
Environmental Protection	--	24,896,501	20,412,558	--	3,529,431	954,512
Health	--	51,996,185	44,233,917	--	7,365,036	397,232
Higher Education	--	33,564,294	29,491,387	--	1,302,583	2,770,324
Human Services	--	1,027,366,879	1,006,451,612	3,106	16,811,339	4,100,822
Labor	--	134,854,090	118,835,880	--	8,177,913	7,840,297
Law and Public Safety	--	17,770,433	13,297,891	--	1,303,694	3,168,848
Public Advocate	--	726,942	680,179	--	17,100	29,663
Transportation	--	105,280,455	49,902,154	--	21,977,309	33,400,992
Treasury	--	37,785	32,542	--	5,243	--
TOTAL EXECUTIVE BRANCH	--	1,684,798,718	1,543,077,097	3,106	80,623,653	61,094,862
JUDICIAL BRANCH	--	14,619,976	10,737,571	--	3,864,326	18,079
TOTAL FEDERAL	$ --	$ 1,699,418,694	$ 1,553,814,668	$ 3,106	$ 84,487,979	$ 61,112,941

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

ALL OTHER	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
EXECUTIVE BRANCH:						
Agriculture	$ --	$ 16,355,853	$ 9,743,730	$ --	$ 1,070,105	$ 5,542,018
Civil Service	--	16,101	16,101	--	--	--
Commerce and Economic Development	--	420,350	104,324	--	40,676	275,350
Community Affairs	--	11,583,096	6,646,593	--	1,188,069	3,748,434
Corrections	--	13,969,699	12,202,707	--	1,393,372	373,620
Education	--	4,810,779	3,443,913	--	509,990	856,876
Energy	--	3,851,987	3,244,982	--	48,527	558,478
Environmental Protection	--	13,966,065	10,467,718	--	702,187	2,796,160
Health	--	5,042,274	3,631,097	--	214,589	1,196,588
Higher Education	--	30,254,424	21,732,060	--	2,063,677	6,458,687
Human Services	--	55,691,792	43,723,172	--	2,908,633	9,059,987
Insurance	--	58,871	27,430	--	149	31,292
Labor	--	32,892,737	18,970,356	--	306,839	13,615,542
Law and Public Safety	250,000	14,131,033	11,102,244	--	1,607,011	1,671,778
Public Advocate	--	2,811,706	2,776,205	--	34,509	992
State	--	8,329	--	--	--	8,329
Transportation	--	17,951,225	9,434,242	--	2,223,087	6,293,896
Treasury	--	641,762,683	622,978,786	2,289,430	10,888,119	5,606,348
Inter-Departmental Accounts	--	25,562,293	14,498,765	--	--	11,063,528
TOTAL EXECUTIVE BRANCH	250,000	891,141,297	794,744,425	2,289,430	25,199,539	69,157,903
JUDICIAL BRANCH	--	43,601	41,801	--	--	1,800
TOTAL ALL OTHER	$ 250,000	$ 891,184,898	$ 794,786,226	$ 2,289,430	$ 25,199,539	$ 69,159,703

STATE OF NEW JERSEY
GENERAL FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

GENERAL FUND SUMMARY	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
LEGISLATIVE BRANCH	$ 18,379,453	$ 3,638,755	$ 17,821,944	$ 101,227	$ 1,340,467	$ 2,754,570
EXECUTIVE BRANCH:						
Chief Executive's Office	1,709,764	649,981	2,227,536	--	59,270	72,939
Agriculture	5,335,385	17,498,638	15,694,387	45,958	1,324,331	5,769,347
Banking	4,142,088	314,081	3,938,430	368,248	101,403	48,088
Civil Service	10,838,977	2,017,398	12,320,513	16,445	332,218	187,199
Commerce and Economic Development	3,865,540	3,227,741	5,329,892	144,868	957,815	660,706
Community Affairs	104,569,027	59,623,793	141,887,940	87,066	14,269,148	7,948,666
Corrections	136,101,384	28,324,767	147,379,976	51,206	8,270,809	8,724,160
Defense	8,201,255	4,058,311	10,511,780	54,131	1,406,780	286,875
Education	879,749,540	240,571,981	1,086,790,494	2,628,306	14,812,245	16,090,476
Energy	13,350,145	8,747,048	19,660,072	26,956	985,348	1,424,817
Environmental Protection	103,619,188	54,412,424	137,420,882	357,288	11,258,349	8,995,093
Health	40,053,132	61,571,799	86,574,274	443,472	11,530,212	3,076,973
Higher Education	566,012,940	91,532,582	624,806,826	5,073,254	10,738,542	16,926,900
Human Services	1,132,891,787	1,107,800,485	2,102,048,571	3,242,028	114,666,708	20,734,965
Insurance	5,475,170	316,138	5,443,647	149,254	163,045	35,362
Labor	25,020,793	173,746,653	167,948,301	372,208	8,831,474	21,615,463
Law and Public Safety	133,975,972	57,967,177	176,702,178	316,372	7,118,720	7,805,879
Public Advocate	20,502,291	6,558,728	26,829,503	1,786	137,267	92,463
State	5,741,059	788,428	5,748,787	101,321	304,640	374,739
Transportation	286,484,307	199,124,387	336,755,067	650,632	62,585,395	85,617,600
Treasury	286,025,807	661,761,295	910,766,146	2,780,968	14,319,440	19,920,548
Miscellaneous Executive Commissions	2,597,670	673,864	2,606,237	76,704	115,954	472,639
Inter-Departmental Accounts	435,002,572	(38,197,215)	368,314,429	7,355,790	8,446,783	12,688,355
TOTAL EXECUTIVE BRANCH	4,211,265,793	2,743,090,484	6,397,705,868	24,344,261	292,735,896	239,570,252
JUDICIAL BRANCH	35,867,109	16,722,057	47,118,333	59,657	4,965,070	446,106
TOTAL GENERAL FUND SUMMARY	$ 4,265,512,355	$ 2,763,451,296	$ 6,462,646,145	$ 24,505,145	$ 299,041,433	$ 242,770,928

STATE OF NEW JERSEY
PROPERTY TAX RELIEF FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES (Continued)
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
DIRECT STATE SERVICES						
Treasury	$ 11,235,435	$ 8,207	$ 10,761,470	$ 92,812	$ 389,360	$ --
STATE AID						
Education	970,695,601	--	969,784,608	664,041	246,952	--
Treasury	308,000,000	--	306,489,494	110,506	--	1,400,000
TOTAL PROPERTY TAX RELIEF FUND	$ 1,289,931,036	$ 8,207	$ 1,287,035,572	$ 867,359	$ 636,312	$ 1,400,000

STATE OF NEW JERSEY
GUBERNATORIAL ELECTIONS FUND
STATEMENT OF FISCAL YEAR 1982 APPROPRIATIONS AND EXPENDITURES
YEAR ENDED JUNE 30, 1982

	ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS	OTHER AUTHORIZED APPROPRIATIONS	EXPENDITURES	LAPSED	ENCUMBRANCES	CONTINUING APPROPRIATIONS
DIRECT STATE SERVICES						
Law and Public Safety	$ --	$ 2,638,689	$ 2,566,863	$ 71,826	$ --	$ --
TOTAL GUBERNATORIAL ELECTIONS FUND	$ --	$ 2,638,689	$ 2,566,863	$ 71,826	$ --	$ --

STATISTICAL AND ECONOMIC DATA

The Statistical and Economic Data Section gives report users a better historical perspective of financial information that may assist in assessing current financial status and trends of the State. In addition, certain demographic and economic data have been presented that will allow a broader understanding of the economic and social environment in which state government operates.

STATE OF NEW JERSEY
NEW JERSEY STATE GOVERNMENT WITHIN THE FEDERAL/STATE/LOCAL TAX SYSTEM
FISCAL YEAR ENDING JUNE 30, 1982

GENERAL FRAMEWORK

The people of New Jersey receive services from the three levels of government--federal, state, and local. Our intergovernmental system is such that the money needed to finance these services may come from one or more of these levels of government. The transfer of this money from one level of government to another comes in the form of intergovernmental revenue.

In New Jersey, as in most states, the cost of these services may vary from one jurisdiction to another. Such factors as the ability of a local government to raise taxes, the level of services requested by the people, the efficiency of the governmental units involved, and the prevailing wages in the area, all influence the final cost of government services. Thus, in order to have a complete picture of the State's financial operation, an understanding of the federal/state/local system is presented.

MONEY FLOW WITHIN THE SYSTEM

The intergovernmental financial system in the United States is becoming increasingly interdependent as states and local units depend more than ever on external intergovernmental sources of revenue. Nationwide, approximately one-fourth of all state revenues come from the federal government, and approximately 40 percent of local government revenues are secured from state and federal sources. For 1981, the latest year of published comparative statistics, all levels of government raised almost $1,075.4 billion, of which approximately $660.8 billion was raised at the federal level. Almost 13 percent of the federal revenues was funneled back to state and local governments. In addition, some of the federal money transferred to the state governments is combined with state aid funds so that the amount available to local governments nationwide for spending is in excess of $287 billion.

Similar flows of money take place within the State of New Jersey. Taxes are paid by the residents to federal, state, and local governments. The federal government returns some portion of the dollars to the state and to the local governments by means of grant-in-aid programs. The State of New Jersey, in similar fashion, returns tax dollars to local municipalities, counties, and school districts by means of "State Aid" allocations (58 percent of 1982 state expenditures were disbursed in the form of state aid). Comments pertaining to federal aid and the state and local tax structure in New Jersey follow.

FEDERAL AID

Residents of every state pay federal income taxes, and to that extent are paying on a comparable basis for the services we receive directly from the federal government. However, the amount of federal taxes which are returned to New Jersey state and local governments for their program use is not directly related to the amount of taxes the people of New Jersey have paid to the federal government. Federal aid is returned to state and local governments based upon various factors such as population, age of housing stock, etc. Some funds must be applied for under various competitive grant-in-aid programs.

Based upon data compiled by the Tax Foundation, New Jersey state and local governments received $2.9 billion in grants in 1981, but residents in the State had an estimated tax burden of $3.7 billion. Thus, the tax burden per dollar of aid in New Jersey is approximately $1.27. This can be contrasted, for example, to the state of Vermont, where the tax burden on its residents is $.56 per dollar returned. Therefore, the state and local governments receive almost twice as much in federal grants as the residents pay in federal taxes. During the past several years, New Jersey has raised its ranking in total receipts so that the tax burden per dollar of aid has decreased from $1.30 in 1976 to the present $1.27. For 1981, the latest year of published statistics, the following data is applicable to New Jersey.

(1) New Jersey's total of $2.9 billion is the eighth highest among the states, and represents an increase of $58.1 million over the previous year.

(2) New Jersey has increased its per capital aid from $385 to $392.

(3) Of the total amount, the General Fund of the State of New Jersey realized $1,615 million in federal revenue in both fiscal year 1981 and fiscal year 1982.

STATE OF NEW JERSEY
NEW JERSEY STATE GOVERNMENT WITHIN THE FEDERAL/STATE/LOCAL TAX SYSTEM
FISCAL YEAR ENDING JUNE 30, 1982

STATE TAX STRUCTURE

The State receives substantially all of its General Fund revenues, except for federal aid, from a series of non-property related taxes and excises. Approximately 74 percent of Genetal Fund revenues in fiscal year 1982 came from six sources; namely, the Sales Tax ($1,379.9 million), Motor Fuels Tax ($280.8 million), Corporation Taxes ($868.8 million), Motor Vehicle Fees ($265.5 million), the Cigarette Tax ($177.4 million), and the Inheritance Tax ($126.8 million). On July 6, 1976, legislation establishing the Gross Income Tax was enacted. The tax is calculated at the rate of 2 percent on the first $20,000 and 2.5 percent on amounts over $20,000 of taxable income. The proceeds are dedicated to state aid and property tax relief, and are deposited in a special fund entitled the Property Tax Relief Fund. Income taxes may not be used to support state operations. The Income Tax for fiscal year 1982 yielded $1,259.0 million, and represented 23 percent of total own-source revenue.

The Division of Taxation administers most of the taxes collected by the State--the exceptions being primarily pari-mutuel racing, motor vehicle licenses and fees, and the Motor Fuels Use Tax. In addition, the Division of Taxation is responsible for assessing and certifying over $614.2 million of public utility taxes to municipalities and counties. Effective January 1, 1981, the State, in addition to certifying public utility taxes, also collects such taxes and in turn distributes such funds back to the municipalities. Also, the State, through the Division of Taxation, supervises and coordinates local property tax procedures for the twenty-one county boards of taxation and the 567 local taxing districts. The State does not collect the local property tax or use any of its revenue.

LOCAL TAX STRUCTURE

The largest revenue source at the local level is the property tax. Other major revenue sources include state aid assistance, federal aid assistance, and various miscellaneous revenues, such as licenses, fees, and permits. This means that the tax is assessed and collected at the municipal level for the support of local schools, municipal government, and county government. The State receives no portion of these taxes, and, in fact, in 1982 paid out approximately 58 percent of the State's tax revenue to counties, municipalities, and school districts in some form of state aid.

The property tax in New Jersey is a residual tax; that is, it is the tax levied to raise the amount of money required to meet budgeted expenditures not covered by monies available from all other sources. The local property tax is an ad valorem tax, in that each taxpayer shares in the total tax burden of his municipality in direct proportion as the value of his property bears to the total value of all property in his town. Thus, the amount of an individual's property tax bill is determined by the dollars needed to support the local schools, the county and the municipal government, and by the proportionate value that one's property bears to the total value of all property in the municipality. Any increase in the cost of municipal, county, or school district services or any decrease in the amount of state aid or federal aid, without offsetting increases in new ratables, will cause an increase in the amount of property taxes a homeowner must pay.

In tax year 1982, local property tax levies increased by approximately $360.6 million. However, over the six-year period since the institution of tax reform, the total property tax growth has been held to a 6.1 percent average per year increase. This compares to an average rate growth of over 11.9 percent during the prior six-year period.

STATISTICAL DATA

The following tables include data on the State's general financial operations. These tables are informative, as they outline historical perspectives and trends on New Jersey's financial information. In addition, certain demographic and economic data are presented that will allow a broader understanding of the economic and social environment in which state government operates.

STATE OF NEW JERSEY
TEN-YEAR FINANCIAL SUMMARY
FISCAL YEAR ENDING JUNE 30
($ Millions)

REVENUES	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973
Anticipated Revenues										
Sales Tax	$1,379.9	$1,263,5	$1,179.9	$1,097.7	$1,003.0	$ 905.1	$ 829.5	$ 770.5	$ 735.1	$ 682.0
Income Tax	1,259.0	1,106.2	968.8	838.5	748.9	696.1	--	--	--	--
Corporation Tax	868.8	775.7	644.8	556.3	515.2	421.7	378.2	279.3	250.7	222.5
Motor Fuels Tax	280.8	278.0	280.9	297.8	295.7	288.8	281.5	273.4	266.8	271.9
Motor Vehicle Fees	265.5	266.3	267.5	250.8	233.5	223.1	195.3	159.3	160.0	156.7
Cigarette Tax	177.4	176.2	170.6	169.9	170.1	168.8	167.7	166.6	168.7	166.0
Inheritance Tax	126.8	123.3	111.0	100.4	96.3	86.6	79.4	82.4	88.0	74.9
Lottery	220.3	176.0	145.9	122.0	96.0	78.2	66.1	36.1	55.2	56.7
General Revenue Sharing	--	18.8	75.4	74.8	71.3	69.5	67.1	69.6	145.8	--
Casino Taxes	129.2	102.6	71.0	26.0	2.5	--	--	--	--	--
All Other	848.2	776.0	751.5	781.5	687.2	570.0	661.7	554.8	572.9	463.4
Total Anticipated Revenues	$5,555.9	$5,062.6	$4,667.3	$4,315.7	$3,919.7	$3,507.9	$2,726.5	$2,392.0	$2,443.2	$2,094.1
Appropriated Revenues										
Federal Programs	$1,614.8	$1,615.5	$1,588.1	$1,396.2	$1,238.2	$1,240.3	$ 958.6	$1,002.3	$ 832.2	$ 790.6
All Other	857.3	766.6	395.7	201.0	207.3	348.8	291.1	266.7	253.6	208.1
Total Appropriated Revenues	$2,472,1	$2,382.1	$1,983.8	$1,597.2	$1,445.5	$1,589.1	$1,249.7	$1,269.0	$1,085.8	$ 998.7
Total All Revenues	$8,028.0	$7,444.7	$6,651.1	$5,912.9	$5,365.2	$5,097.0	$3,976.2	$3,661.0	$3,529.0	$3,092.8
EXPENDITURES (Budgetary Basis)										
Budgeted Expenditures										
State Aid	$3,308.8	$2,674.2	$2,502.2	$2,385.4	$2,089.3	$1,691.5	$1,235.7	$1,251.3	$1,012.0	$ 927.9
Direct State Services	2,200.1	2,328.9	2,055.1	1,834.1	1,661.2	1,528.2	1,349.4	1,303.3	1,149.4	1,068.0
Capital Construction	60.7	58.9	165.2	192.3	180.0	164.6	76.9	93.4	107.6	71.6
Debt Service	185.6	173.2	164.5	162.0	144.4	122.5	112.2	98.9	90.7	76.6
Total Budgeted Expenditures	$5,755.2	$5,235.2	$4,887.0	$4,573.8	$4,074.9	$3,506.8	$2,774.2	$2,746.9	$2,359.7	$2,144.1
Appropriated Expenditures										
Federal Programs	$1,638.3	$1,661.4	$1,542.5	$1,353.8	$1,198.1	$1,067.9	$ 999.1	$ 900.3	$ 874.5	$ 643.4
All Other	820.0	709.3	308.5	174.3	165.4	314.2	287.0	233.9	194.2	149.8
Total Appropriated Expenditures	$2,458.3	$2,370.7	$1,851.0	$1,528.1	$1,363.5	$1,382.1	$1,286.1	$1,134.2	$1,068.7	$ 793.2
Total All Expenditures	$8,213.5	$7,605.9	$6,738.0	$6,101.9	$5,438.4	$4,888.9	$4,060.3	$3,881.1	$3,428.4	$2,937.3
UNDESIGNATED FUND BALANCES										
General Fund	$ 78.7	$ 188.1	$ 228.7	$ 217.2	$ 164.1	$ 101.1	$ 95.8	$ 77.2	$ 382.4	$ 211.9
Property Tax Relief Fund	28.6	58.5	28.8	1.0	117.4	134.6	--	--	--	--
Casino Revenue Fund	32.0	58.5	28.9	8.9	1.5	--	--	--	--	--
Casino Control Fund	(5.1)	(.1)	(8.0)	(4.0)	--	4.1	--	--	--	--
Gubernatorial Elections Fund	(2.4)	(4.2)	2.8	1.4	.2	1.1	--	--	--	--

STATE OF NEW JERSEY
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Fiscal Year	Principal	Interest	Total Debt Service	State Expenditures	Ratio of Debt Service to Total State Expenditures
1973	$ 25,755,000	$ 50,791,974	$ 76,546,974	$ 2,144,107,890	3.57%
1974	33,065,000	57,626,100	90,691,100	2,359,758,929	3.84
1975	35,790,000	63,122,722	98,912,722	2,746,917,111	3.60
1976	44,315,000	67,928,017	112,243,017	2,774,250,122	4.05
1977	52,100,000	70,400,167	122,500,167	3,506,816,633	3.49
1978	64,115,000	80,307,235	144,422,253	4,074,953,540	3.54
1979	76,380,000	85,626,426	162,006,426	4,573,809,761	3.54
1980	77,195,000	87,278,221	164,473,221	4,887,021,448	3.37
1981	85,210,000	87,978,743	173,188,743	5,235,128,551	3.31
1982	85,875,000	99,753,106	185,628,106	5,755,234,238	3.23

STATEMENT OF CHANGES IN BONDED DEBT

Fiscal Year	Outstanding	Issued	Retired	Outstanding
1973	$1,024,245,000	$150,000,000	$ 25,755,000	$ 1,148,490,000
1974	1,148,490,000	150,000,000	33,065,000	1,265,425,000
1975	1,265,425,000	125,000,000	35,790,000	1,354,635,000
1976	1,354,635,000	50,000,000	44,315,000	1,360,320,000
1977	1,360,320,000	225,000,000	52,100,000	1,533,220,000
1978	1,533,220,000	120,000,000	64,115,000	1,589,105,000
1979	1,589,105,000	200,000,000	76,380,000	1,712,725,000
1980	1,712,725,000	120,000,000	77,195,000	1,755,530,000
1981	1,755,530,000	150,000,000	78,210,000	1,827,320,000
1982	1,827,320,000	300,000,000	92,875,000	2,034,445,000

Source: Department of the Treasury
Division of Budget and Accounting

STATE OF NEW JERSEY
FUTURE DEBT SERVICE ON OUTSTANDING BONDS

Fiscal Year	Interest	Principal	Interest and Principal
1983	$ 131,332,871	$ 107,590,000	$ 238,922,871
1984	124,893,226	115,595,000	240,488,226
1985	117,529,322	116,750,000	234,279,322
1986	110,181,807	118,255,000	228,436,807
1987	102,999,907	116,510,000	219,509,907
1988	95,699,994	117,415,000	213,114,994
1989	88,368,757	115,870,000	204,238,757
1990	81,050,032	113,630,000	194,680,032
1991	73,797,407	110,355,000	184,152,407
1992	66,403,654	100,975,000	167,378,654
1993	59,742,724	101,875,000	161,617,724
1994	52,976,794	104,675,000	157,651,794
1995	46,046,094	105,350,000	151,396,094
1996	39,414,979	92,300,000	131,714,979
1997	33,129,856	92,300,000	125,429,856
1998	27,181,574	77,350,000	104,531,574
1999	21,831,187	74,150,000	95,981,187
2000	16,582,650	72,450,000	89,032,650
2001	11,524,113	71,250,000	82,774,113
2002	6,862,333	50,900,000	57,762,333
2003	3,588,907	36,400,000	39,988,907
2004	1,279,500	12,500,000	13,779,500
2005	562,500	5,000,000	5,562,500
2006	187,500	5,000,000	5,187,500
	$1,313,167,688	$2,034,445,000	$3,347,612,688

Source: New Jersey Department of the Treasury,
Division of Budget and Accounting.

STATE OF NEW JERSEY
RATIO OF GENERAL LONG-TERM DEBT TO
ASSESSED VALUE AND DEBT PER CAPITA
(Expressed in thousands except as indicated)

Fiscal Year	Population	Assessed Value (1)	General Long-Term Debt Outstanding	General Long-Term Debt Ratio to Assessed Value	General Long-Term Debt Per Capita
1973	7,337	$ 59,890,785	$ 1,148,490	1.92%	$ 156.53
1974	7,335	66,828,840	1,265,425	1.89	172.52
1975	7,335	72,949,968	1,354,635	1.86	184.68
1976	7,341	78,461,591	1,360,320	1.73	185.30
1977	7,344	83,549,677	1,533,220	1.84	208.77
1978	7,342	89,766,686	1,589,105	1.77	216.44
1979	7,356	97,007,989	1,712,725	1.77	232.83
1980	7,373	103,510,954	1,755,530	1.70	238.10
1981	7,377	111,037,882	1,827,320	1.65	247.71
1982	7,404	120,514,694	2,034,445	1.69	274.78

Sources: U.S. Department of Commerce, Bureau of the Census "Preliminary Intercensal Estimate of the Population of States: 1970-1980" and "Provisional Estimates of the Resident and Civilian Population of States: July 1, 1980 and 1981."

New Jersey Department of the Treasury, Annual Report of the Division of Taxation.

New Jersey Department of the Treasury, Division of Budget and Accounting.

(1) Includes Real and Personal Property.

STATE OF NEW JERSEY
VALUATIONS OF TAXABLE REAL PROPERTY, PERSONAL AND PER CAPITA INCOME
(Expressed in thousands except as indicated)

Year	Population	Assessed Valuation of Real Property	True Valuation of Real Property	Personal Income (millions)	Per Capita Income
1972	7,337	$ 50,427,693	$ 67,750,455	$ 39,468.6	$ 5,380
1973	7,335	58,727,225	76,394,319	42,905.9	5,849
1974	7,335	65,569,254	86,517,097	46,520.6	6,342
1975	7,341	71,604,254	88,325,430	49,831.9	6,788
1976	7,344	76,977,352	96,029,862	54,081.7	7,364
1977	7,342	81,947,717	101,661,442	58,804.1	8,009
1978	7,356	88,096,325	107,801,263	64,712.0	8,797
1979	7,373	95,245,570	116,502,954	71,949.7	9,758
1980	7,377	101,750,296	131,459,546	80,798.6	10,935
1981	7,404	109,247,254	149,657,502	89,787.7	12,127

Sources: Department of the Treasury, Annual Report of the Department of Taxation.

U. S. Department of Labor, Bureau of Labor Statistics.

U. S. Department of Commerce, Bureau of the Census "Preliminary Intercensal Estimate of the Population of States: 1970-1980" and "Provisional Estimates of the Resident and Civilian Population of States: July 1, 1980 and 1981."

STATE OF NEW JERSEY
POPULATION AND EMPLOYMENT TRENDS
(Expressed in Thousands)

Year	Population	Civilian Labor Force	Resident Employment	Unemployment	New Jersey Unemployment Rate	U. S. Unemployment Rate
1972	7,337	3,105	2,924	181	5.8%	5.6%
1973	7,335	3,177	2,999	179	5.6	4.9
1974	7,335	3,214	3,012	203	6.3	5.6
1975	7,341	3,252	2,918	333	10.2	8.5
1976	7,344	3,306	2,962	345	10.4	7.7
1977	7,342	3,370	3,053	317	9.4	7.0
1978	7,356	3,444	3,197	247	7.2	6.0
1979	7,373	3,556	3,311	246	6.9	5.8
1980	7,377	3,582	3,322	259	7.2	7.1
1981	7,404	3,578	3,316	262	7.3	7.6

Sources: U.S. Department of Commerce, Bureau of the Census "Preliminary Intercensal Estimate of the Population of States: 1970-1980" and "Provisional Estimates of the Resident and Civilian Population of States: July 1, 1880 and 1981." (Estimates as of July 1 for years indicated.).

New Jersey Department of Labor, "New Jersey Economic Indicators," July 14, 1982, Number 217.

STATE OF NEW JERSEY
MANUFACTURING AND NON-MANUFACTURING EMPLOYMENT
(Expressed in Thousands)

Manufacturing Durable Goods	1971	1976	1981	Percentage Change from 1971 - 1981	Percentage of Total Employment 1981
Electrical machinery	104.6	86.8	90.3	(13.7%)	2.9%
Non-electric machinery	66.3	67.5	72.6	9.5	2.4
Fabricated metals	63.5	59.4	59.0	(7.1)	1.9
Stone, clay and glass	39.0	36.1	31.3	(19.7)	1.0
Instruments	35.1	31.3	37.9	8.0	1.2
Other	96.1	81.9	83.5	(13.1)	2.7
Total Durable	404.6	363.0	374.6	(7.4%)	12.1%
Non-Durable Goods					
Chemicals	117.5	122.4	129.0	9.8%	4.2%
Apparel	69.8	61.1	56.4	(19.2)	1.8
Food	61.8	52.7	48.2	(22.0)	1.6
Rubber and plastics	36.8	32.0	37.0	0.5	1 2
Paper	35.9	33.2	31.2	(13.1)	1.0
Other	91.9	91.8	94.6	2.9	3.0
Total Non-Durable	413.7	393.2	396.4	(4.2%)	12.9%
Total Manufacturing	818.3	756.2	771.0	(5.8%)	25.0%
Non-Manufacturing					
Trade	558.3	618.5	690.1	23.6%	22.4%
Services	421.0	488.0	635.2	50.9	20.6
Government	388.0	480.5	524.2	35.1	17.0
Transportation, Communication, and Public Utility	181.1	176.0	192.5	6.3	6.2
Finance, Insurance, and Real Estate	120.4	138.0	161.4	34.1	5.2
Contract Construction	117.6	93.9	109.2	(7.1)	3.5
Other	3.0	2.7	2.4	(20.0)	--
Total Non-Manufacturing	1,789.4	1,997.6	2,315.0	29.4%	75.0%

Source: New Jersey Department of Labor "New Jersey Economic Indicators" July 14, 1982, Number 21.

STATE OF NEW JERSEY
AVERAGE HOURLY GROSS DOLLAR EARNINGS OF PRODUCTION WORKERS
ANNUAL AVERAGES
(Dollars)

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
TOTAL MANUFACTURING	$3.99	$4.26	$4.57	$4.99	$5.33	$5.82	$6.28	$6.71	$ 7.31	$ 8.02
Durable Goods	4.06	4.37	4.66	5.12	5.46	5.96	6.41	6.81	7.49	8.23
Lumber	3.28	3.49	3.66	4.18	4.35	4.53	4.50 *	4.95	5.40	6.01
Furniture	INA	INA	INA	4.28	4.47	4.60	5.08	5.08 *	5.74	6.15
Stone, Clay, and Glass	3.90	4.22	4.60	4.98	5.37	5.84	6.34	6.64	7.52	8.35
Primary Metals	4.16	4.52	4.91	5.39	5.71	6.10	6.48	7.06	7.55	8.34
Fabricated Metals	4.20	4.44	4.72	5.26	5.58	6.02	6.49	6.92	7.48	8.32
Non-electrical Mach.	4.38	4.66	4.98	5.39	5.77	6.38	6.87	7.40	8.10	9.06 *
Electrical Mach.	3.86	4.18	4.41	4.92	5.30	5.71	6.01	6.49	6.93	7.77 *
Transportation Equip.	4.91	5.30	5.81	6.33	6.89	7.88	8.24	8.83	10.00	11.12
Misc. Manufacturing	3.09	3.23	3.49	3.82	4.03	4.37	4.75	5.07	5.64	6.06
Nondurable Goods	3.93	4.16	4.48	4.88	5.22	5.71	6.14	6.61	7.18	7.81
Food	INA	INA	INA	5.17 *	5.56	6.00	6.44	7.05	7.72	8.61
Textiles	INA	INA	INA	INA	4.51 *	4.74	5.17 *	5.53	6.00	6.59
Apparel	3.00	3.18	3.37	3.70	3.95	4.39	4.40 *	4.70	5.04	5.37
Paper	3.92	4.10	4.39	4.70	5.10	5.41	5.90 *	6.45	6.88	7.54
Printing and Publishing	INA	INA	INA	INA	5.62 *	5.85	6.58 *	6.96	7.61	8.08
Chemicals	4.50	4.85	5.27	5.70	6.18	6.83	7.34	7.91	8.43	9.36
Petroleum	4.97	5.15	5.57	6.62	7.51	7.96	8.58	9.24 *	11.01	11.78
Rubber and Plastics	3.63	3.77	4.02	4.11	4.37	4.75	6.03	5.43	5.89	6.42
Leather	2.94	3.10	3.25	3.37	3.58	3.82	4.08	4.40	4.75	4.94

* Data not comparable with prior years.
Data are adjusted to the 1980 benchmark.
INA - Information not available.

SOURCE: New Jersey Department of Labor, Division of Planning and Research
Office of Demographic and Economic Analysis, April 1982.

STATE OF NEW JERSEY
FIFTY LARGEST EMPLOYERS

Rank	Name	New Jersey Employment 1981
1	New Jersey Bell Telephone Co.	30,321
2	Bell Telephone Laboratories	16,582
3	American Telephone & Telegraph Co.	16,146 (1)
4	RCA Corporation	15,500
5	The Prudential Insurance Co.	15,293 (2)
6	Supermarkets General Corp.	14,682
7	Johnson & Johnson	13,000
8	Public Service Electric & Gas Co.	12,782
9	Western Electric Co.	12,137
10	Sears, Roebuck & Company	12,000
11	R.H. Macy & Company, Inc. (Bamberger's)	11,500
12	Exxon Corp.	10,300
13	General Motors Corp.	10,000
14	E.I. duPont de Nemours & Co., Inc.	8,803
15	Hoffman-LaRoche, Inc.	7,250
16	The Singer Company	7,000
17	American Cyanamid	6,649
18	Consolidated Rail Corporation	6,000
19	IBM	5,800
20	Mobil Corporation	5,789
21	Nabisco, Inc.	5,330
22	ITT	5,300
23	Acme Markets Inc.	5,000
24	Ingersoll-Rand Company	4,918
25	Revlon, Inc.	4,900 (3)
26	CIBA-GEIGY Corporation	4,880
27	Squibb Corp.	4,800
28	Merck & Co., Inc.	4,292
29	W.R. Grace & LCo.	4,282
30	Owens-Illinois, Inc.	4,275
31	Marriott Corporation	4,233
32	Kidde, Inc.	4,116
33	The Bendix Corporation	4,100
34	First National State Bancorporation	4,100
35	Schering-Plough Corporation	4,100
36	R.J. Reynolds Industries	4,090
37	Ford Motor Company	4,060
38	Great Atlantic and Pacific Tea Company	4,050
39	Wheaton Industries	4,050
40	Westinghouse Electric Corporation	4,000
41	Foster Wheeler Corporation	3,973
42	Fidelity Union Bancorp	3,750
43	Grand Union	3,600
44	Bally's Park Place	3,500
45	Campbell Soup Company	3,362
46	Becton, Dickinson and Company	3,300
47	Caesars Boardwalk Regency	3,200
48	Harrah's Marina Hotel Casino	3,200
49	Tropicana Hotel and Casino	3,150
50	The Playboy Hotel and Casino	3,058

(1) Includes AT&T Long Lines.
(2) Parent Company employees only.
(3) New Jersey Business estimate.

Source: New Jersey Business Magazine,
New Jersey Business & Industry Association,
10th Annual Top 100 Employers in New Jersey, May 1982.
Data reprinted with the permission of the New Jersey Business & Industry Association.

STATE OF NEW JERSEY
RETAIL SALES, PERSONAL AND PER CAPITA INCOME, AND NEW DWELLING UNITS

Year	Retail Sales ($ Millions)	Personal Income ($ Millions)	Per Capita Income	Value of New Dwelling Units Authorized ($ Thousands)
1972	$ 16,399	$ 39,468.6	$ 5,380	$ 1,062,430
1973	17,874	42,905.9	5,849	1,030,506
1974	18,024	46,520.6	6,342	588,291
1975	19,636	49,831.9	6,788	574,101
1976	21,833	54,081.7	7,364	832,433
1977	24,076	58,804.1	8,009	998,931
1978	28,752	64,712.0	8,797	1,262,831
1979	31,608	71,949.7	9,758	1,274,353
1980	33,636	80,798.6	10,935	1,010,084
1981	35,364	89,787.7	12,127	1,022,130

Sources: New Jersey Department of Labor and
U. S. Department of Commerce

CASH RECEIPTS FROM FARM MARKETINGS
($ Millions)

Year	Livestock and Products	Crops	Total
1972	$ 90.9	$ 149.9	$ 240.8
1973	111.2	190.8	302.0
1974	113.3	226.6	339.9
1975	102.9	223.1	326.0
1976	109.6	225.9	335.5
1977	98.2	250.6	348.8
1978	121.7	277.2	398.9
1979	127.7	287.5	415.2
1980	123.4	319.4	442.8
1981	106.2	353.1	459.3

Source: New Jersey and U. S. Departments of Agriculture.

STATE OF NEW JERSEY
PUBLIC SCHOOL ENROLLMENTS

Year	K - 6	7 - 8	9 - 12	Total K-12	Pre-K	Non-Graded	Special Ed.	Post Graduate	Total Other Grades	Total All Grades
1972	779,849	226,576	441,993	1,448,418	2,350	19,482	26,270	1,347	49,449	1,497,867
1973	757,873	230,021	444,450	1,432,344	2,686	18,824	26,347	1,404	49,261	1,481,605
1974	742,628	230,778	447,481	1,420,887	3,385	15,660	26,611	413	46,069	1,466,956
1975	719,836	228,921	454,295	1,403,052	3,038	17,991	27,637	1,161	49,827	1,452,879
1976	698,087	227,541	451,757	1,377,385	3,059	11,131	28,794	979	43,963	1,421,348
1977	667,578	221,033	447,500	1,336,111	3,801	9,611	30,638	1,367	45,417	1,381,528
1978	638,676	210,104	442,561	1,291,341	3,726	9,337	32,493	430	45,986	1,337,327
1979	612,361	198,802	428,741	1,239,904	4,941	8,239	34,528	647	48,355	1,288,259
1980	590,535	190,369	413,884	1,194,788	5,537	7,611	37,361	711	51,220	1,246,008
1981	567,662	186,973	397,700	1,152,335	5,638	6,246	39,540	959	52,383	1,204,718

Source: New Jersey Department of Education,
Office of Management Information.
(Enrollments--September 30 of year indicated)

STATE OF NEW JERSEY
SECTOR SUMMARY OF FALL ENROLLMENT
NEW JERSEY COLLEGES AND UNIVERSITIES, 1980 and 1981

Full and Part-Time Sector	Undergraduate 1980	Undergraduate 1981	Post-Baccalaureate 1980	Post-Baccalaureate 1981	Total Enrollments 1980	Total Enrollments 1981
Full-Time Enrollment						
Community Colleges	44,597	44,766	--	--	44,597	44,766
State Colleges	43,750	43,009	845	799	44,595	43,808
Rutgers University	27,851	28,073	4,126	4,033	31,977	32,106
N.J. Inst. of Technology	3,180	3,360	124	167	3,304	3,527
Univ. of Medicine & Dent.	113	70	1,616	1,707	1,729	1,777
Independent Colleges	35,249	34,092	6,364	6,197	41,613	40,289
Total Full-Time	154,740	153,370	13,075	12,903	167,815	166,273
Part-Time Enrollment						
Community Colleges	66,540	69,114	--	--	66,540	69,114
State Colleges	23,668	24,055	12,708	11,760	36,376	35,815
Rutgers University	7,800	7,794	8,663	8,556	16,463	16,350
N.J. Inst. of Technology	1,997	2,045	900	911	2,897	2,956
T. Edison State College	3,619	3,613	--	--	3,619	3,613
Univ. of Medicine & Dent.	2	--	23	32	25	32
Independent Colleges	13,097	13,723	12,648	12,834	25,745	26,557
Total Part-Time	116,723	120,344	34,942	34,093	151,665	154,437
Full and Part-Time						
Community Colleges	111,137	113,880	--	--	111,137	111,880
State Colleges	67,418	67,064	13,553	12,559	80,971	79,623
Rutgers University	35,651	35,867	12,789	12,589	48,440	48,456
N.J. Inst. of Technology	5,177	5,405	1,024	1,078	6,201	6,483
T. Edison State College	3,619	3,613	--	--	3,619	3,613
Univ. of Medicine & Dent.	115	70	1,639	1,739	1,754	1,809
Independent Colleges	48,346	47,815	19,012	19,031	67,358	66,846
Total Full and Part-Time	271,463	273,714	48,017	46,996	319,480	320,710

Source: New Jersey Department of Higher Education, Opening Fall Enrollment in New Jersey Colleges and Universities Fall 1981 and Recent Trends.

STATE OF NEW JERSEY
PUBLIC AND INDEPENDENT COLLEGE ENROLLMENT SUMMARY

FULL-TIME UNDERGRADUATE ENROLLMENT

Year	Community Colleges	State Colleges	Other Public 4-Year[1]	Independent Colleges	Total
1972	30,280	40,539	23,206	37,039	131,064
1973	32,242	43,987	24,742	35,341	136,312
1974	36,017	47,596	26,618	33,836	144,067
1975	40,932	49,381	28,327	33,660	152,300
1976	41,289	44,420	28,829	34,404	148,942
1977	41,372	44,700	30,696	34,310	151,078
1978	39,885	44,138	31,457	34,263	149,743
1979	43,011	43,508	31,693	35,058	153,270
1980	44,597	43,750	31,144	35,249	154,740
1981	44,766	43,009	31,503	34,092	153,370

PART-TIME UNDERGRADUATE ENROLLMENT

1972	29,546	15,422	9,285	13,692	67,945
1973	34,924	18,649	9,750	12,980	76,303
1974	40,823	21,306	11,224	12,976	86,329
1975	48,675	22,181	11,361	13,237	95,454
1976	50,591	21,316	11,684	12,945	96,536
1977	53,743	21,447	12,903	13,175	101,268
1978	58,836	23,285	14,353	13,164	109,638
1979	61,246	23,804	13,992	12,836	111,878
1980	66,540	23,668	13,418	13,097	116,723
1981	69,114	24,055	13,452	13,723	120,344

Source: New Jersey Department of Higher Education, Opening Fall Enrollment in New Jersey Colleges and Universities, Fall, 1981 and recent trends.

(1) Includes Rutgers University, New Jersey Institute of Technology, the University of Medicine and Dentistry's School of Allied Health Professions, and Thomas A. Edison State College.

Authorities are public, corporate entities, created by the State under enabling legislation to carry on a specific function outside the regular structure of government. They are legal entities which may incur debt, own property, and have the power to finance their activities by means of user charges.

Historically, public authorities were established to finance, construct, and operate, on a self-sustaining basis, revenue producing facilities of a public benefit, such as bridges and roads. Later, authorities were used to finance types of construction traditionally financed by the State itself, such as state university and health facilities. More recently, public authorities have served as financing vehicles to undertake services once provided by private enterprise, such as stadiums, housing, and capitalization for business development or expansion.

Generally, public authorities are not defined either in the New Jersey Constitution or in statute. Instead, each authority has been established to perform a specific set of functions and has been given specific, unique powers in the enabling legislation establishing the agency. There are fourteen state authorities or agencies within New Jersey which have the legislative power to issue bonds. In addition, there are five regional or bi-state authorities which provide facilities and/or do planning for New Jersey residents, but which do not operate solely within the boundaries of New Jersey. A short description of the fourteen statewide authorities and the five regional authorities follows.

STATE AUTHORITIES

SOUTH JERSEY PORT CORPORATION

The South Jersey Port Corporation, an entity of the State's Department of Labor, was created in 1970 by the South Jersey Port Corporation Act. The act conferred upon the corporation the powers to establish, acquire, construct, rehabilitate, improve, operate, and maintain marine terminals in the South Jersey Port District, including Mercer, Burlington, Camden, Gloucester, Salem, Cumberland, and Cape May counties. To this end, the Corporation may issue tax-exempt revenue bonds subject to the provisions and restrictions of the Marine Terminal Revenue Bond Resolution adopted November 30, 1970, which dedicates funds to several commission funds.

The Corporation operated two marine terminals in the Camden area--the Broadway Terminal, acquired from the now defunct New York Shipbuilding Corporation, and the Beckett Street Terminal, for which the Corporation utilized a portion of the $16 million of Marine Terminal Revenue Bonds in 1970--for the importing and and exporting of goods and materials and cargo handling. Since 1970, gross revenues of the Port have increased from $1.9 million to $9.1 million in 1981. There has been a commensurate increase in Port tonnage with over one million tons being handled in each of the last nine years. This activity has been translated into millions of dollars of economic benefit to the South Jersey area. While net revenues were not sufficient to fully cover debt service in calendar years 1972-77, the State provided the necessary funds by appropriations equal to the certified deficiencies in the Bond Reserve Fund. For the calendar years 1978, 1979, 1980, and 1981, the Port Corporation covered debt service requirements from operating revenue.

In 1980, the Port issued and sold $14.5 million of Series B Marine Terminal Revenue Bonds. These funds are being utilized to develop a fourth deep water shipping berth at Beckett Street Terminal. In addition, a portion of these bond funds, $1.8 million, together with a $3 million Federal EDA Grant, has been used to acquire a new versatile high capacity multi-purpose crane capable of handling containers. At Broadway Terminal, the Port is planning development of a major coal export terminal on a 38-acre tract of land. The Beckett Street development project will be completed in early 1983 and should substantially enhance the Port's fiscal posture.

NEW JERSEY MORTGAGE FINANCE AGENCY

The New Jersey Mortgage Finance Agency (MFA) was created by the Legislature in 1970 as an independent public body corporate to increase the availability of mortgage and home improvement lending to State residents. MFA is authorized to issue bonds and notes to create a secondary market for the purchase of residential mortgage, home improvement and energy loans. Most of MFA's programs are directed toward the one-to-four unit homeownership market.

In March 1977, the Agency launched its innovative Neighborhood Loan Program (NLP)--the first state mortgage purchase program in the country to be targeted to urban neighborhoods. $341,335,000 in bonds has been sold to finance the purchase of lower interest rate, first mortgage loans from participating lending institutions. Designed to encourage homeownership in urban areas by increasing the flow of mortgage lending there on affordable terms, the NLP is available in forty urban municipalities. NLP has financed the purchase of 7,867 owner occupied homes thus far. The most recent bond issue for NLP was sold on April 14, 1982, and provided a $35 million loan fund for nearly 1,000 mortgages within the urban neighborhoods.

The Agency is currently developing a statewide mortgage program that will assist first time homebuyers and stimulate new construction throughout the State, as well as revitalize the urban neighborhoods. A bond issue to fund the new State Mortgage Program is expected to be sold by October, 1982.

Since 1978 the Agency has also operated the Home Improvement Loan Program (HILP) to provide below market interest rate home improvement loans to modest income homeowners. Over 4,500 homes have been upgraded, enlarged, or made more energy efficient from proceeds of three bond issues totalling $47,915,000. In October, 1981 the Agency sold its third HILP bond issue of $15,075,000.

The current program, HILP-3, also incorporates a separate Energy/Solar loan component to finance solar hot water installations and other specific energy savings improvements for homeowners with a wider range of incomes. This new component is an outgrowth of a pilot solar financing program tested by the Agency in 1981, the first such effort in the country.

MFA also operated a demonstration program in 1981 - 1982 to finance the rehabilitation of small multifamily buildings, in conjunction with the Federal Section 8 Moderate Rental Assistance Payment Program. Building owners of 1-12 unit buildings who borrow rehabilitation funds through MFA must contract with their local housing authority to rent the improved units to subsidized tenants. Through this program, MFA hopes to demonstrate the viability of small multifamily lending as well as provide more livable units for low income families.

The Agency's initial focus of activity from 1971 to 1976 was the operation of its Loan to Lenders Program, the first such program in the country. The program was financed by eight bond issues totalling $456,450,000, resulting in the financing of more than 20,000 housing units throughout the State.

NEW JERSEY HEALTH CARE FACILITIES FINANCING AUTHORITY

The New Jersey Health Care Facilities Financing Authority, established in 1972 as a public body corporate and politic of the State, provides low-cost capital financing for the public and private non-profit health care institutions of the State.

As of June 30, 1982, the Authority has issued bonds totaling over $1.2 billion, the proceeds of which were utilized for the construction, modernization, and acquisition of new equipment as well as for the refinancing of existing debt of seventy hospitals and other health care facilities.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

The New Jersey Educational Facilities Authority was established in 1966 to provide a means for New Jersey public and independent colleges and universities to construct additional facilities through the financial resources of a public authority empowered to sell tax-exempt notes and bonds. The Authority finances only revenue producing facilities on public college campuses; it is not so restricted for the independent institutions, and may finance academic buildings as well.

Since its inception, the Authority has provided financing for the construction of 44 projects for 22 colleges and universities in the State of New Jersey. The projects include academic buildings, student centers, dormitories, student apartments, parking facilities, cafeterias, and athletic/recreation centers.

The Authority has issued bond anticipation notes (temporary financing) in the amount of $327,982,000, and bonds in the amount of $186,259,000. As of June 30, 1982, the Authority had obligations outstanding in the amount of $201,228,000.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

The New Jersey Economic Development Authority, created in 1974 as a public body corporate and politic, is designed to arrange long-term, low-interest financing, and other forms of assistance to private firms and companies for the purpose of maintaining and expanding employment opportunities and enlarging the tax base of state and local governments in the State of New Jersey. To accomplish its objectives, the Authority has developed the following programs.

. Tax-exempt industrial development bond funding, which provides low-interest financing for companies seeking to expand in or relocate to New Jersey. In the fiscal year ending June 30, 1982, the Authority arranged financing for 380 projects, totaling over $772 million in low-interest financing, and stimulating over $988 million in investment in the State's economy. Over 28,000 new jobs were estimated to be created or maintained.

. Direct loan and loan guarantees, which are provided to private companies for purposes of fixed asset or working capital expansion. In the fiscal year ended June 30, 1982, the Authority closed 39 direct loans and loan guarantees for a total Authority exposure of $7,163,959, which are expected to result in private investments of more than $25 million, and create an estimated 2,200 new jobs.

. Urban Industrial Park Program, in which the Authority acts as purchaser and developer of urban renewal land located in certain urban aid municipalities. The Authority has developed properties in Jersey City, Elizabeth, Trenton, and recently started developing the Newark Industrial Center. Upon completion of the four industrial parks, it is estimated that they will contain $120 million in private investment, with a total of 3,500 permanent jobs.

. Trade Adjustment Assistance Center--The Authority received an additional grant from the U. S. International Trade Administration for continued operation of this center. Manufacturing firms which have been adversely affected by imports may qualify for technical assistance (in marketing, sales, engineering, accounting, etc.) as well as financial assistance in the form of direct loans and loan guarantees funded by the U.S. International Trade Administration. During the fiscal year ended June 30, 1982, the Center provided technical assistance to 27 firms in New Jersey, in the total amount of $306,040. Loans were approved for four companies, totaling $3,035,000.

NEW JERSEY TURNPIKE AUTHORITY

The New Jersey Turnpike Authority, created as a body corporate and politic by the New Jersey Turnpike Authority Act of 1948, is authorized to construct, maintain, repair, and operate turnpike projects at locations established by law. Furthermore, the Authority may issue turnpike revenue bonds or notes of the Authority, subject to prior approval by the Governor and of either or both the State Treasurer and the Comptroller of the Treasury, payable solely from tolls and other revenues of the Authority.

A major construction project providing easier access to Newark International Airport and the southern end of the Newark/Elizabeth Seaport was completed with the opening of Interchange 13-A on June 10, 1982. This new facility was completed ahead of schedule and under budget, with costs shared by the Port Authority of New York and New Jersey, the New Jersey Department of Transportation, and the Turnpike Authority.

Recent operations projects such as the Automatic Traffic Surveillance and Control System have made the State's turnpike among the safest of the heavily trafficked roads in the country. The fatality and accident records of the Authority have been the best in New Jersey, and have contributed to the State's record as the safest in the nation.

NEW JERSEY EXPRESSWAY AUTHORITY

The New Jersey Expressway Authority, created in 1962 as a body corporate and politic, is authorized and empowered to acquire, construct, maintain, repair and operate Atlantic City Expressway projects at lawfully established locations and to issue its bonds for such purposes. The existing roadway serves as a link between the Philadelphia metropolitan area and the seashore counties bordering the Atlantic Ocean. The principal source of revenue for the Authority is the money received from Expressway tolls, the rate schedule of which is set by independent traffic consultants, representing the bond holders. The original bond issue for the construction of the Expressway totaled $54,625,000. As of June 30, 1982, the outstanding debt was $28,185,000.

Due to the influx of casinos in Atlantic City, the traffic on the Expressway has increased 143% as of January, 1982 over traffic recorded in December, 1977. This far exceeds any increase recorded by any other toll facility in the nation. The first year of Intercept Parking was completed in March of 1982 and is a highly successful revenue producer for this Authority.

NEW JERSEY HIGHWAY AUTHORITY

The New Jersey Highway Authority, created in 1952 as a body corporate and politic, is authorized to acquire, construct, operate, and maintain highway projects (specifically the toll portions of the Garden State Parkway) with the provision that the Governor shall have the right to veto any action, except collective bargaining; and that the approval of the Governor and State Treasurer or Comptroller shall be required prior to adoption of any bond resolution or revision of tolls. The Authority has also been responsible for construction and maintenance of the Garden State Arts Center.

The Highway Authority is the number one toll road in the nation for vehicular use. The State of New Jersey guarantees payment on $44,256,000 of bonds due 1982-88; however, the State believes that revenue from the Authority will be sufficient to provide for payment of debt service without recourse to the State's guarantee.

RUTGERS, THE STATE UNIVERSITY

Rutgers, the State University, entered into an open-end indenture dated May 1, 1967, to provide a means of financing construction of auxiliary enterprise facilities such as student apartments, dormitories, and student centers, and to consolidate previously outstanding bond indebtedness. Under the terms of the indenture, all bonds issued are direct and general obligations of the University,

and are in no way obligations of the State. All revenues from auxiliary enterprise facilities construction, from the proceeds of the bonds, together with revenues from certain other such facilities, are pledged to secure the indebtedness. The excess of funds, after satisfying certain requirements, is available to the University.

NEW JERSEY SPORTS AND EXPOSITION AUTHORITY

The New Jersey Sports and Exposition Authority, established in 1971 as a public body corporate and politic with corporate succession, has been responsible for the financing, construction, and management of Meadowlands Racetrack and Giants Stadium, both of which opened in 1976, and the Brendan Byrne Arena which opened in July, 1981. The Authority is charged with the responsibility for providing facilities in the Hackensack Meadowlands for athletic and entertainment events, trade shows, and other expositions, and is authorized to issue bonds and notes and provides the terms and security thereof.

The Stadium-Racetrack project, parking facilities, and land on which the arena is situated is on a 692-acre site. The track accommodates approximately 16,000 patrons nightly for thoroughbred and standardbred racing. The Stadium has a capacity of 76,900, and is the home of the Giants of the National Football League, the Cosmos of the North American Soccer League, and the New Jersey Generals of the United States Football League. The Arena is the home of the New Jersey Nets of the National Basketball Association and the New Jersey Devils of the National Hockey League, and seats approximately 20,000 spectators. Family shows such as the Circus and Disney on Ice, as well as concerts, are provided annually. In addition, horse sales, trade shows, tennis matches, track meets, and other special events are held in the arena.

On December 14, 1978, the debt of the Sports Authority was refinanced. Under the program, the outstanding debt of the Authority, with an average interest cost of approximately 7½ percent, was refunded by the proceeds of a new issue of Authority bonds, secured by a state guarantee and by racetrack and stadium revenue. Because of the State's AAA credit rating, the interest rate (5.82 percent) was substantially lower, and it is estimated that the reduced debt service costs and other first year adjustments will result in a savings of $115 million over the life of the bonds. In addition, under a new lien structure made possible by the refinancing, the debt service costs for the new indoor sports arena will be reduced by $42 million compared with the original financing plan for the arena. By law, all surplus funds of the Authority are paid to the State Treasury. The combined value of this plan, therefore, will provide an additional $157 million to the State over the life of the bonds.

HOUSING FINANCE AGENCY

Through the sale of short-term notes and tax-exempt revenue bonds, the New Jersey Housing Finance Agency (HFA) provides housing for senior citizens and low and moderate-income families throughout the State. The Agency finances rental housing production, monitors and offers technical support in the planning, construction, and management of all its developments, and secures needed state and federal subsidies.

During the past year, the Agency completed a $67,715,000 bond offering at an effective interest cost of 13 percent. Proceeds of the "moral obligation" issue, which received AA and A-1 credit ratings, were used to finance construction and rehabilitation of 814 senior citizen and family rental units. The Agency secured approximately $9.4 million in federal Section 8 rent subsidies to insure that debt service and operating costs are met while enabling the low and moderate-income tenants to pay no more than 25 percent of their annual income for rent. This year the Agency sold construction notes totalling $4,186,100 at a floating rate of 75% of the prime rate in a private placement to the First National State Bank of New Jersey to finance the rehabilitation of 81 rent assisted units. Upon completion of the construction, the Agency's insured mortgage loan shall be sold to the Government National Mortgage Association.

During the year, the Agency received $9.4 million in General Obligation Bond funds which had been appropriated to benefit Agency developments. The funds were targeted for 17 developments which the Agency has identified as needing additional financial assistance to meet operating and debt service costs. This assistance is needed largely because all developments were financed under the federal Section 236 interest reduction program, which is not designed to provide additional subsidies for escalating operating costs. In addition to the infusion of capital resources, the Agency master plan calls for stricter oversight of property management and institution of rental increases. To offset the impact on the tenants, the Agency has arranged to make approximately $7 million available in additional federal rental assistance.

Since its inception, the Agency has placed $1,097 billion in mortgages for 155 housing developments providing 30,289 new and modernized housing units. It also has provided $48.5 million in construction loans for 1,590 family units.

NEW JERSEY BUILDING AUTHORITY

The New Jersey Building Authority, created in 1981 as a body corporate and politic, is authorized to construct and rehabilitate office buildings and related facilities for use by State agencies. The Authority is authorized to issue bonds and notes to provide funds for the construction and rehabilitation projects. The debt service on the bonds will be paid through lease agreements with the State. As of June 30, 1982 the Authority has issued $129,040,000 in bonds.

HACKENSACK MEADOWLANDS DEVELOPMENT COMMISSION

The Hackensack Meadowlands Development Commission is a body corporate and politic established within the Department of Community Affairs under the provisions of the Hackensack Meadowlands Reclamation and Development Act of 1969. Pursuant to the Act, the Commission is authorized and empowered to finance the reclaiming, planning, development, and redevelopment of the Hackensack Meadowlands, which consists of 19,730 acres of waterway, tidal flow lands and small portions of woodlands, marsh and meadows, contained within portions of 14 municipalities and two counties, through the issuance of tax-exempt bonds and notes.

The two most significant events in the Meadowlands during the past fiscal year are the completion of the Environment/Visitors Center and the HMDC Administrative Office Complex in Lyndhurst and the creation in the district of more than 3,200 new permanent jobs. The 45,000 square foot complex built on the eastern slope of a now-closed section of the Bergen County Landfill, is another commitment by the Commission to the closing of the landfills. The facility includes the Environment Center, which serves as a regional educational resource. It includes laboratory facilities, a museum, a 270-seat auditorium, offices, and meeting rooms.

Also included in the complex are the first permanent offices of the HMDC. The Center is the first stage of the development of DeKorte State Park, which will encompass 2,000 acres stretching from Kearny through Lyndhurst, North Arlington, and into Rutherford. The park is being built partly on some 814 acres of existing or former landfill, the largest such reclamation effort in the country.

During the past fiscal year, more than $68 million in private funds have been invested in new construction in the Meadowlands District. This new construction has produced more than 3,200 new permanent jobs. This is particularly significant because the rest of northern New Jersey lost approximately 8,000 jobs in the same period. During the first seven months of 1972, investment totalled slightly less than $36 million, which created almost 2,200 new permanent jobs. With this influx of capital into the district, a new milestone was reached. For the first time since the creation of the HMDC in 1968, private investment topped the money spent to create the Sports Complex. Private construction now totals slightly more than $440 million for the past 10 years, while the total invested in the Sports Complex is approximately $425 million.

The HMDC is also cooperating fully with the Meadowlands Chamber of Commerce on a unique Jobs Training/Transportation Planning grant funded by the State Department of Labor. The grant was given to the Chamber to allow it to plan for training inner city residents of the central urban areas of the northern part of the State for the jobs which will be created in the district during the next new years. A major component of this study is determining how to create the public transportation system which will allow inner city residents, most of whom have no cars, to get to the district. The planning is now complete and an application for full funding is now pending at the Department of Labor.

The world's largest baling facility is already in place at the Commission's North Arlington location. Processing 2,000 tons per day, the baler has been a tremendous success. The baler is not only serving to contour DeKorte State Park, but it is processing solid waste in a more ecologically sound manner. The amounts of leachate and methane gas produced have been cut by more than 60 percent. The HMDC has also scored significant advances in controlling the flow of waste and eliminating illegal dumping. Recently, the Commission entered into an out-of-court settlement with a hauler which provided for a $38,000 fine for dumping prohibited New York City trash. This is the largest such fine levied by the Commission and ensures that haulers can no longer write off light fines as a cost of doing business.

Through the cooperation of the Sports Authority, the New Jersey Department of Transportation, New Jersey Transit and the Port Authority, a transportation group has been organized to cope with the current problems and to plan for the future. The Secaucus Transfer Station, a major rail connector, is also one of the major improvement needs, and work progresses on this project. The Harrison-Kingsland Rail line, which when opened would connect the urban areas of Essex County to the heart of the District, is another important project which is progressing. To date, more than 38,500 new jobs have been created; where once there were more than 2,500 acres of garbage dump, there are now fewer than 200. At full development, the District anticipates more than $5 billion in total development, with a total workforce in the Meadowlands of between 150,000 and 200,000 people.

NEW JERSEY WATER SUPPLY AUTHORITY

The New Jersey Water Supply Authority, created in 1981 as a public body corporate and politic, is authorized to acquire, finance, construct and operate water systems. The Authority may, upon the request of a municipality, county, the State, or agencies thereof, enter into a contract to provide services for any water system project. All projects undertaken by the Authority shall conform to the recommendations of the New Jersey Statewide Water Supply Plan. Bonds of the Authority may be issued to finance these projects and the debt service on the bonds is payable from the revenues and other funds of the Authority. As of June 30, 1982, the Authority has not issued any bonds.

REGIONAL BOND-ISSUING AUTHORITIES

The five regional or bi-state authorities serving New Jersey are:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

The Delaware River Joint Toll Bridge Commission is a body corporate and politic, created in 1934 by a compact between the Commonwealth of Pennsylvania and the State of New Jersey with approval of the United States Congress. The Commission is authorized and empowered, in certain cases with the requirement of federal governmental approval, to acquire, construct, administer, operate, and maintain such bridges as the Commission deems necessary to advance the interest of the two states, and to issue bonds and other obligations. The compact provides that Commission indebtedness shall not be deemed to constitute a debt or liability of the two states.

The Commission has authority over six toll-supported bridges, Trenton-Morrisville, New Hope-Lambertville, Easton-Phillipsburg, Portland-Columbia, Delaware Water Gap, Milford-Montague, from which excess revenues go toward bridge improvements and bond redemptions; plus thirteen state-owned and tax-supported bridges whose source of revenue for operation and maintenance comes from the states of Pennsylvania and New Jersey.

DELAWARE RIVER AND BAY AUTHORITY

The Delaware River and Bay Authority, created in 1962 with the consent of the United States Congress, is a body politic and an agency of the government of the states of Delaware and New Jersey. The Authority is authorized to plan, finance, develop, construct, purchase, lease, maintain, improve, and operate crossings, including bridges, tunnels, and ferries between the State of Delaware and the State of New Jersey across the Delaware River and Bay. To this end, the Authority may issue revenue bonds payable from operations of the Authority's facilities.

The Authority operates twin bridges, the Delaware Memorial Bridge (1951) and a second bridge which opened in 1968 financed by a $103,000,000 revenue bond issued in 1964. In addition, the Authority operates the Cape May-Lewes Ferry.

DELAWARE RIVER PORT AUTHORITY

The Delaware River Port Authority, originally created in the 1920's as a bi-state commission authorized to construct the Benjamin Franklin Bridge between Camden and Philadelphia, is a self-sustaining agency, operating without tax funds and getting most of its revenues from Authority operations. Since changing from a bridge commission to a port authority, the Authority has undertaken construction of three additional bridges--the Walt Whitman Bridge (1957), the Commodore Barry Bridge (1974), and the Betsy Ross Bridge (1976)--and expanded its responsibilities for regional mass transit--the Lindenwold Highspeed Line opened in 1969--and promotion of ports on the Delaware River, collectively known as the Ports of Philadelphia.

DELAWARE RIVER BASIN COMMISSION

The Delaware River Basin Commission was created by compact in 1961 as a body politic and corporate between the states of Delaware, New Jersey, and New York, the Commonwealth of Pennsylvania, and the United States of America. The Commission is responsible for developing and effectuating plans, policies, and projects relating to the water resources of the Delaware River Basin. To achieve this end, the Commission may issue bonds payable solely out of the properties and revenues of the Commission without recourse to taxation. However, the Commission has not issued any bonds to date.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

The Port Authority, a municipal corporate instrumentality of the states of New York and New Jersey, was created by compact between the two states in 1921, with the consent of the Congress of the United States to plan, develop, and operate terminals and other facilities of transportation to commerce, and to advance projects in the general fields of transportation and world trade that contribute to promoting and protecting commerce of the Port District.

The Port Authority is financially self-sustaining, and, as such, it must obtain the funds necessary for construction or acquisition of facilities upon the basis of its own credit, its reserve funds, and its future revenues. The Authority has neither the power to pledge the credit of either state or any municipality, nor to levy taxes or assessments. Since its creation, investors have purchased over $4.8 billion in obligations, of which over $2 billion was outstanding on June 30, 1982.

STATE OF NEW JERSEY
PUBLIC AUTHORITIES AND AGENCIES
YEAR ENDED JUNE 30, 1982

Authority facilities, all of which have been authorized by the two states, including six interstate bridges and tunnels, the three major metropolitan airports, two heliports, the World Trade Center, the rapid transit PATH system, buses and ancillary bus facilities for use in the states of New York and New Jersey, as well as marine, passenger ship, motor truck, and bus terminals.

In addition, the Bathgate Industrial Park in The Bronx, New York, now under construction, is the first of several proposed industrial development projects in the Port District, which include resource recovery and industrial pollution control facilities.

OUTSTANDING DEBT OF NEW JERSEY STATE AUTHORITIES
AS OF JUNE 30, 1982

MORAL OBLIGATION DEBT

The authorizing legislation for two state authorities, the Housing Finance Agency and the South Jersey Port Corporation, provides for specific budgetary procedures with respect to certain obligations. According to the legislation, a designated official is required to certify any deficiency in the debt reserve fund maintained to meet payments of principal and interest on obligations, and an appropriation in the amount of the deficiency is to be made. The Legislature, however, is not legally bound to make such an appropriation. Bonds issued pursuant to authorizing legislation of this type are usually referred to as "moral obligation" bonds.

OTHER STATE AGENCY AND AUTHORITY DEBT

Other state-created entities have statutory authority to incur debt which is not "moral obligation" debt as previously defined, and is incurred without any legislation providing for State appropriations to pay debt service thereon. This debt is supported by revenues derived from assets of the various projects financed by these entities. A portion of this debt is supported by lease payments to the issuing entity.

A summary of the debt of the State Authorities/Agencies, including moral obligation debt as of June 30, 1982, follows.

STATE AUTHORITIES	DEBT OUTSTANDING	
New Jersey Turnpike Authority	$ 763,270,000	
Rutgers, The State University	70,920,000	
New Jersey Expressway Authority	28,185,000	
New Jersey Mortgage Finance Agency	542,417,000	
New Jersey Highway Authority	173,853,000	(1)
New Jersey Housing Finance Agency	1,265,831,000	
South Jersey Port Corporation	29,670,000	
New Jersey Economic Development Authority	2,824,633,433	(2)
New Jersey Health Care Facilities Financing Authority	1,264,751,613	
New Jersey Educational Facilities	201,228,000	
New Jersey Building Authority	129,040,000	
New Jersey Sports and Exposition Authority	411,705,000	(3)
Hackensack Meadowlands Development Commission	5,908,750	
New Jersey Water Supply Authority	-o-	
Total	$7,711,412,796	

REGIONAL AUTHORITIES	DEBT OUTSTANDING
Delaware River Port Authority	$ 313,795,465
Delaware River and Bay Authority	80,185,000
Delaware River Basin Commission	-o-
Delaware River Joint Toll Bridge Commission	5,375,000
Port Authority of New York and New Jersey	2,026,501,000

(1) Includes $44,236,000 guaranteed by the State.

(2) Cumulative debt of this Authority represents limited obligations which do not obligate credit of the Authority or of the State.

(3) Includes $289,140,000 of state-guaranteed refunding bonds.